

New Jersey | FY2005p VISITOR PROFILE



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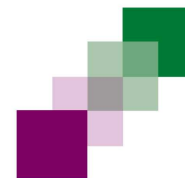


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How to Read this Report



- The report you are about to read is a comprehensive analysis of the travel market in the U.S. and New Jersey. After reviewing this report, it is DKS&A's intention for travel marketers and planners to be better armed with the intelligence they need to develop tourism marketing strategies that will attract new visitors and provide a travel experience that will earn repeat visits and referrals.
- The body of this report is divided into four main sections, which are further targeted to various roles within the tourism organization.
 - The *Market Assessment* section of this report will give the reader an understanding of the size of the tourism market in the U.S. as well as the destination itself.
 - The *Targeting* section describes travelers to a destination and helps travel marketers and planners target future visitors by identifying the largest market segment as well as the growth segments.
 - In the *Positioning* section, the reader will gain an in-depth understanding of the destination's positioning against the competition, which will help to better craft product offerings and messages to the target markets.
 - Finally, the *Communicating* section will help the reader know from where the destination's visitors are originating so that they can launch marketing campaigns that are developed from the intelligence provided in the Targeting and Positioning sections.
- Each of these sections is further divided into three sub-sections:
 - *Section Introduction:* The introduction will introduce the reader to the analysis that will be presented in the upcoming section so the reader will have a better understanding of the fine details.
 - *Detailed Data Graphs:* The detailed data graphs present the data in three primary ways
 - the destination compared to the U.S. and Competitive Set,
 - the destination compared to five specific competitors, and
 - the destination's performance between FY2005p and FY2004.
 - *Section Summary Findings:* The section summary findings reviews the key conclusions from the data presented in the detailed graphs. This section is good for busy executives who need to know the key conclusions from the data.



Background

This New Jersey visitor study provides preliminary travel intelligence on U.S. and New Jersey travel trends from FY2005p. Information is also provided for each of five competing destinations (New York, Pennsylvania, Maryland, Virginia and North Carolina.) Volume and profile data are from D. K. Shifflet & Associate's **PERFORMANCE/MonitorSM** travel intelligence system – the largest travel-tracking system in the U.S. The FY2005p New Jersey Overnight Leisure visitor profile is based on a sample of 846 Travel Parties. Appendix B contains details on study methodology, while Appendix C contains definitions of terms such as *Person-Stays* and *Person-Days*.

Market Assessment

U.S. Volume Trends: The U.S. travel industry reached record levels for total and all leisure segments in FY2005p for each of the four key travel bases: Stays (Travel Parties), Person-Stays (travelers), Person-Days, and Direct Spending. Previous highs for most segments were set in 2000, which remains the high year for business segments (total business, overnight business, day business). Total Travel Parties increased 2.4% to 1.37 billion in FY2005p, total travelers increased 4.8% to 3 billion, total Person-Days increased 4.0% to 6.6 billion, and traveler spending increased 7.8% to \$734 billion.

All leisure segments (total, overnight, day) experienced growth in FY2005p to record levels. Day leisure grew the most (6.2%) to a record 1.1 billion travelers. Growth in overnight leisure spending was even greater (9.6%) to a record \$437 billion. Overnight leisure's growth rate in travelers (5.8%) is similar to the growth rate in Travel Parties (5.7%) due to a stable average party size. Between FY2004 and FY2005p, growth in overnight leisure Person-Days (4.8%) is smaller than the traveler growth (5.8%) rate due to a small decline in average length of stay.



New Jersey Volume Trends: New Jersey volume performance is similar to that of the U.S. in many ways. However, the upward trend in overnight leisure travel is much greater for New Jersey than it is for the U.S. In addition, while the U.S. experienced growth in day leisure travel, New Jersey experienced flat or negative growth in this segment. After two years of substantial increases, the number of Travel Party visits to the area has remained flat in FY2005p. The number of travelers, however increased by 3.3% to a record 72.2 million persons in FY2005p, in part due to an increase in average party size

The Overnight Leisure segment reached a six year high of 27.5 million visitors to New Jersey in FY2005p. Traveler spending by New Jersey visitors reached \$15.7 billion during the time period. For perspective, New Jersey's Overnight Leisure travel segment—the focus of the visitor profile information—represents 36% of Travel Parties, 38% of travelers, 66% of Person-Days, and perhaps most importantly, 60% of all travel spending in the State.

New Jersey Market Share: Overnight leisure travelers increased by 5.8% for the Nation as a whole which created opportunities for similar trends at the destination level. Although New Jersey experienced even greater growth (8.7%) than the U.S. in the number of visitors, its share of U.S. travelers remained flat, indicating that other destinations also maintained or grew their share of overnight leisure travelers. The only upward movement for New Jersey was a slight gain its share of Direct Spending, which increased from 2.01% in FY2004 to 2.1% in FY2005p.

Targeting

The profile of a New Jersey visitor has remained fairly similar over the past several years. With an average age of 47, the 35-54 age range is the most represented by New Jersey travelers (44%). Visitors to the State most likely have no children under age 18 in the household (70%). New Jersey visitors tend to have high household incomes. The average income of New Jersey overnight leisure visitors in FY2005p was \$92,200 and over half (53%) of the visitors to New Jersey earn \$75,000 or more.

Travelers can also be characterized by Lifestage, a combination of age, income and family status. New Jersey overnight leisure travelers are most likely to fall into the family free 35-54 (24%) and high income 55+ (22%) segments.

Markets can also be segmented by generation. Most overnight leisure travelers to New Jersey tend to be Boomers (43%) followed by Gen X'ers (35%).



Positioning

New Jersey can be characterized as a state for getaway weekends, the purpose cited by 34% of the visitors to New Jersey as the reason for visiting the State. With New Jersey's share being almost double the Competitive Set, it has virtually no competition for getaway weekends. With a 21% share, it faces much greater competition for general vacations, particularly from Maryland (26%), North Carolina (21%) and Virginia (18%).

Couples are by far the most common travel party visiting New Jersey and represent a much larger share (44%) than they do for either the U.S. or Competitive Set, both with shares of 36%. The closest competitor for the couples market is Virginia with a 40% share. Travel parties to New Jersey, on average, consist of 2.31 people who stay for an average of 2.53 nights and spend an average of \$105 per person per day.

While visiting New Jersey, most people enjoy gaming (41%) and the associated activities of dining (38%) and entertainment (34%). Beach and waterfront activities are also popular (28%). New Jersey shares for all these activities are greater than the Competitive Set. The competition has greater shares than does New Jersey for sightseeing (17% vs. 28%) and shopping (18% vs. 27%).

Most overnight leisure visitors to New Jersey arrive by car (88%) during the third quarter (34%) of the year (June-September). The third quarter is also the most popular time for travel to the Competitive Set (34%). New Jersey, however beats the competition in the first quarter (17% vs. 23%) of the year (January-March).

Like the U.S. and the Competitive Set, most overnight leisure visitors to New Jersey stay in hotels/motels (60%). New Jersey's share, however, is 33% greater than that of the competition (45%) and 28% greater than the U.S. (47%).

Communicating

Almost three-quarters (72%) of New Jersey overnight leisure visitors travel 200 or fewer miles. An overwhelming majority (87%) of overnight leisure visitors to New Jersey come from the Atlantic regions with 17% from the South Atlantic and 70% coming from the Mid-Atlantic, particularly from the states of New Jersey (28%), New York (23%) and Pennsylvania (19%). To get even more specific, New York City (41.3%) and Philadelphia (23.1%) account for 64% of overnight leisure travel to New Jersey.



Market Assessment

How many visitors does New Jersey attract?
What is New Jersey's share of U.S. and regional travel?



Targeting

Who are New Jersey's most important visitors?



Positioning

How should New Jersey position its product?



Communicating

Where should New Jersey advertise and promote?



What is the size and scope of tourism nationally, regionally and locally?

How is New Jersey doing compared to the competitors in capturing market share?

What are the trends?



Market Assessment Introduction



- The Market Assessment section of this report will provide an overview of the U.S. travel market by reviewing population and travel volume trends. Travel volume is measured with four performance indicators (described in detail on the next page) to help destinations understand past market movements and prepare for possible changes in the future.
- The Market Assessment section goes into further detail of the market trends in New Jersey. This information will help New Jersey understand the size of the U.S. travel market and the opportunities to increase the size of their market, whether it be in terms of visitor volume, visitor days, Travel Parties or total Direct Spending.
- Travel volume is estimated from D.K. Shifflet & Associates' *PERFORMANCE/Monitor*SM monthly travel tracking system and uses other available travel data as model inputs, such as hotel data and government transportation statistics.
- The section ends with a review of traveler satisfaction and value ratings of New Jersey. The ratings are compared to the competition using the U.S. as a benchmark and will give destination's competitive intelligence on consumer perceptions of travel satisfaction and value.

Data Weight Definitions and Examples



Unweighted: the raw data that contains no links to the population or DKS&A modeling; it is simply respondent data as returned to us on the surveys.

Respondent Weight: links to the population and not to any modeling of the data. This weight re-balances the data by the demographic characteristics of age, gender, income, education, number of adults, and state of residence.

Travel Party (Stays) Weight: the most basic travel weight. It is the broadest unit used for measuring a travel experience. To arrive at the Travel Party weight, the respondent weight is adjusted based on variables in order to ensure that there are a certain number of trips that fit standards. These adjustments are based on length of stay, length of trip, mode of transportation, purpose of trip, and special adjustments for particular mailing months and destinations.

Mr. & Mrs. Smith's 5-day vacation in Anytown, USA = 1 Travel Party.

Person-Stays Weight: The total number of people on a stay, regardless of the length of their stay. This measure equates to the number of visitors.

Mr. & Mrs. Smith's 5-day vacation in Anytown, USA = 2 Person-Stays or 2 visitors.

Person-Days Weight: The total number of people on a stay multiplied by the number of days they are on the stay.

Mr. & Mrs. Smith's 5-day vacation in Anytown, USA = 10 Person-Days. (2 Person-Stays x 5 days)

Room-Nights Weight: The number of nights spent in a room, regardless of the number of people staying in the room.

*Mr. & Mrs. Smith's 5-day vacation in Anytown, USA = 5 room-nights.
(given they stayed in a paid accommodation (most applicable))*

Trip-Dollars Weight: Use of this weight takes into account the amount of money spent by travelers. In other words, it accounts for the dollars contributed to a destination's economy by travelers. Using the trip-dollars weight shows the monetary worth/contribution of travelers as opposed to the contribution of number of trips or number of days spent in the destination.

If Mr. & Mrs. Smith spent \$100 per person per day on their 5 day vacation in Anytown, USA, their trip expenditures would be \$1,000 (10 Person-Days x \$100 per person per day).



Tree in snow near Ringwood

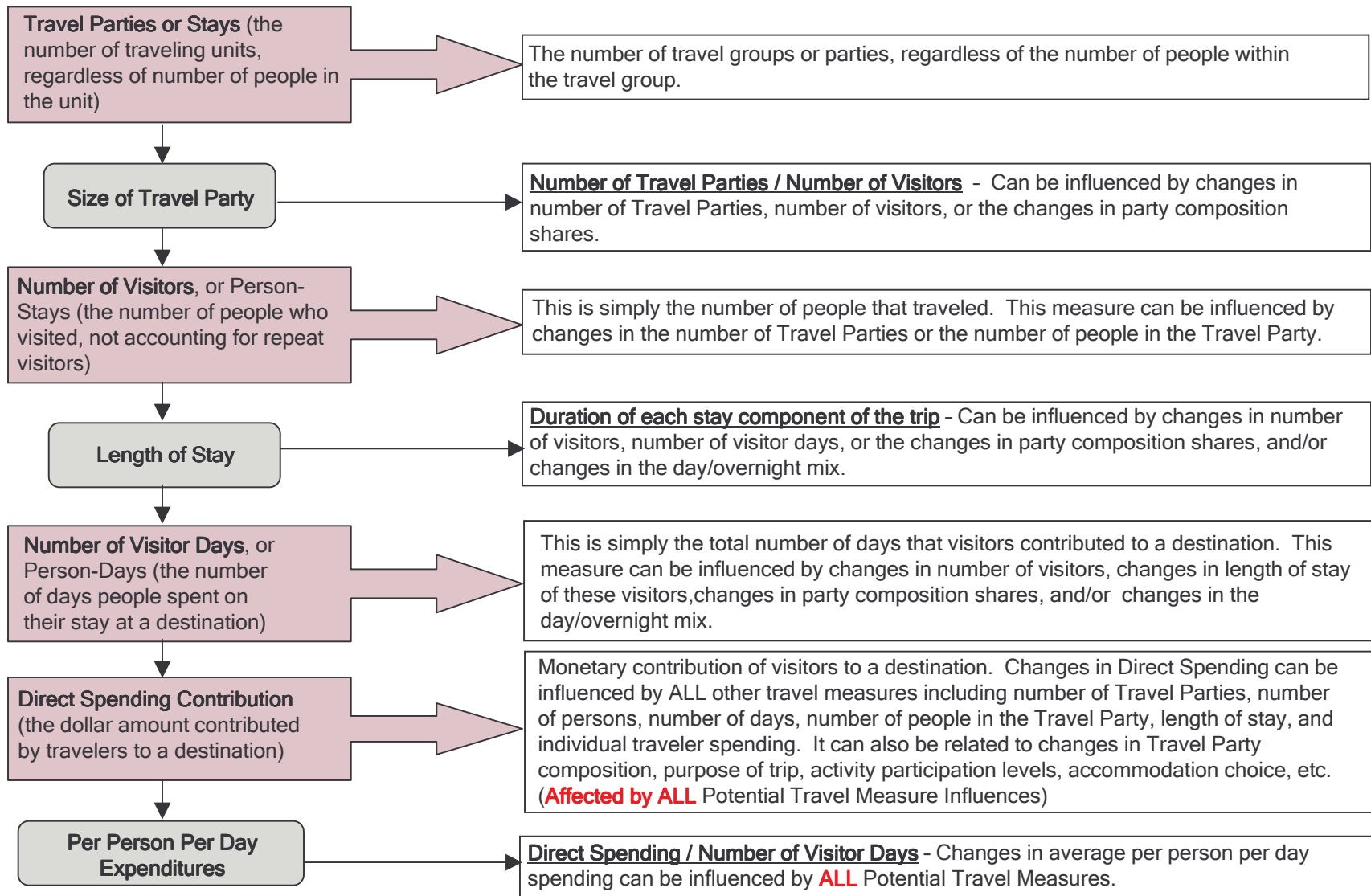
Key Market Assessment Summary – Understanding the Travel Measures



- It is important to understand the various ways in which to measure a destination's travel market performance.
- Visitation to a market can be measured in terms of seven key, inter-related travel measures outlined on the following page.
- Changes in five of these travel measures are caused by changes in other related travel measures. The following graphic depicts how these travel measure variables are related to each other.

When interpreting your destination travel data, remember to consider how the travel measures are interrelated to determine drivers of changes in your travel marketplace.

Travel Measures Defined



New Jersey Volume Changes Explained



| | | FY2004 | FY2005p | % Change |
|---|----------|--------|---------|----------|
| Travel Parties (millions) | Total | 33.8 | 33.6 | -0.5% |
| | Business | 8.6 | 7.8 | -8.6% |
| | Leisure | 25.2 | 25.8 | 2.3% |
| Average Party Size (persons) | Total | 2.07 | 2.15 | 3.8% |
| | Business | 1.48 | 1.73 | 17.1% |
| | Leisure | 2.27 | 2.27 | 0.2% |
| Visitors (Person-Stays) (millions) | Total | 69.9 | 72.2 | 3.3% |
| | Business | 12.7 | 13.6 | 7.0% |
| | Leisure | 57.3 | 58.7 | 2.5% |
| Average Stay Length (days) | Total | 1.85 | 1.93 | 4.8% |
| | Business | 1.60 | 1.77 | 10.9% |
| | Leisure | 1.90 | 1.97 | 3.7% |
| Visitor Days (Person-Days) (millions) | Total | 129.1 | 139.7 | 8.2% |
| | Business | 20.2 | 24.0 | 18.7% |
| | Leisure | 108.9 | 115.8 | 6.3% |
| Day/Overnight Mix (% Day Trips) | Total | 58% | 55% | -4.9% |
| | Business | 66% | 59% | -10.4% |
| | Leisure | 55% | 54% | -2.3% |
| Average Party Spending (\$) | Total | 395.5 | 466.6 | 18.0% |
| | Business | 355.5 | 479.9 | 35.0% |
| | Leisure | 409.1 | 462.6 | 13.1% |
| Total Direct Spending (\$billions) | Total | 13.4 | 15.7 | 17.4% |
| | Business | 3.0 | 3.8 | 23.3% |
| | Leisure | 10.3 | 11.9 | 15.6% |
| Spending per Person per Day (\$) | Total | 103.5 | 112.3 | 8.5% |
| | Business | 150.7 | 156.6 | 3.9% |
| | Leisure | 94.8 | 103.1 | 8.8% |

Even though leisure Travel Parties increased by 2.3%, total Travel Parties remained flat for FY2005p. This was driven by a decline of 8.6% in the number of business Travel Parties.

While Travel Parties remained flat, the average party size increased 3.8% resulting in an increase of 3.3% in visitors. This was driven by an increase of 17.1% in the average party size of business travelers.

Furthermore, the increase in Person-Days can be attributed not only to the increase in average party size, but to increases in average stay length as well. Again, growth in the business segment was the driver for these increases.

The increase in Person-Days coupled with increases in average party spending resulted in a 17.4% increase in Total Direct Spending. While both business and leisure contributed to this increase, business was the major contributor.

Please refer to adjacent chart for changes in Overnight Business and Overnight Leisure travel segments



New Jersey Travel Party (Stays) Volume Trends

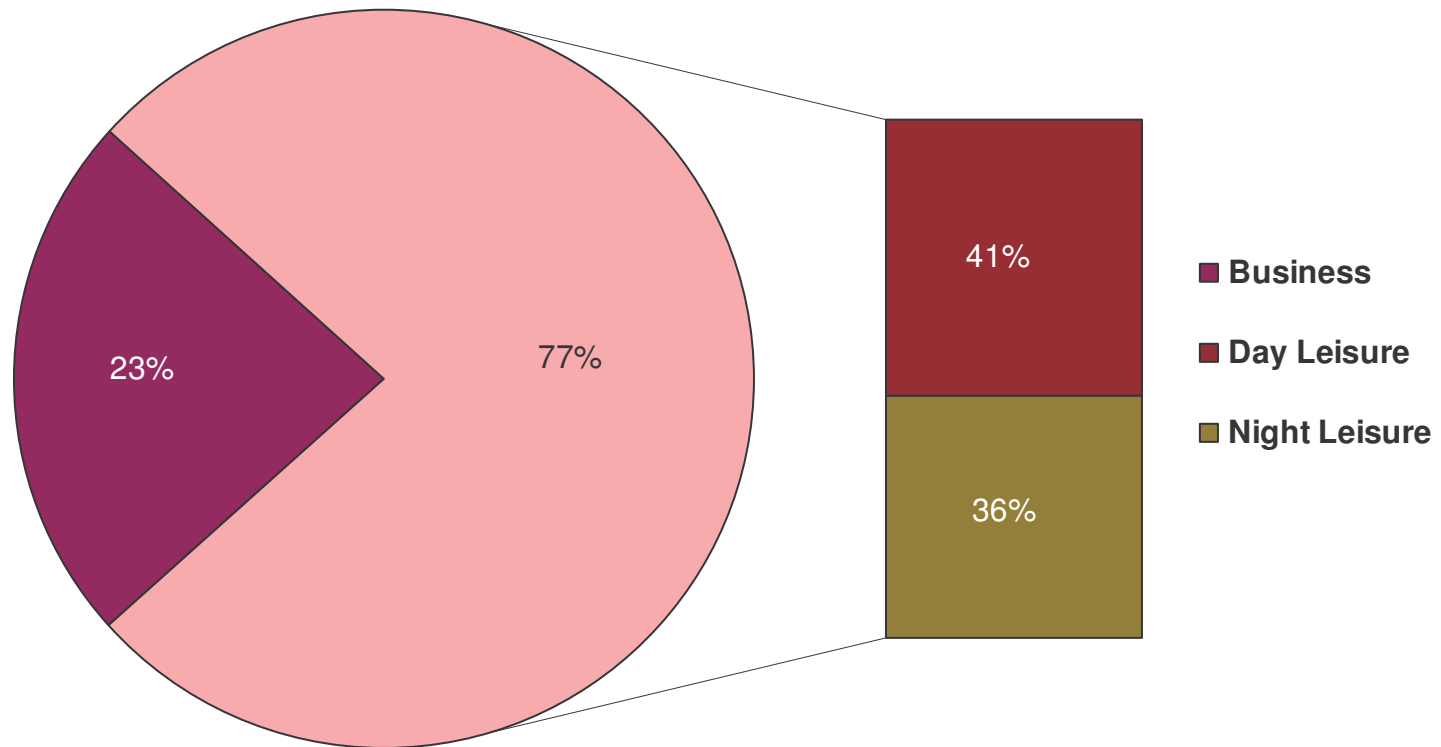
- The following section will detail the Travel Party volume trend in New Jersey over the last six years. Travel party volume measures the number of groups that visited a market.

Mr. & Mrs. Smith's 5-day vacation in Anytown, USA = 1 Travel Party

FY2005p New Jersey Travel Party (Stays) Distribution: Business vs. Leisure



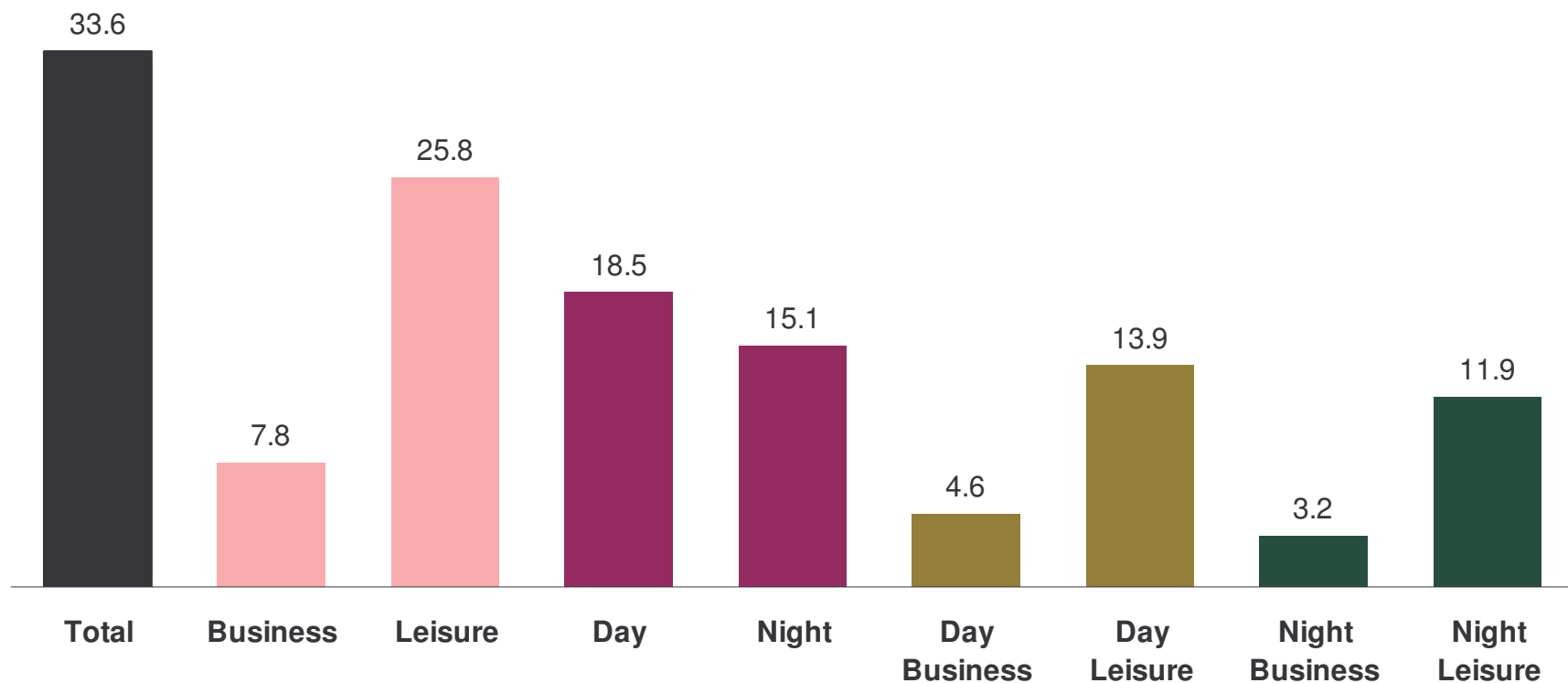
Over two-thirds of Travel Parties to New Jersey do so for leisure purposes. Over half of these (53%) do so for day leisure purposes.



New Jersey Travel Party (Stays) Volume Summary (FY2005p/millions)



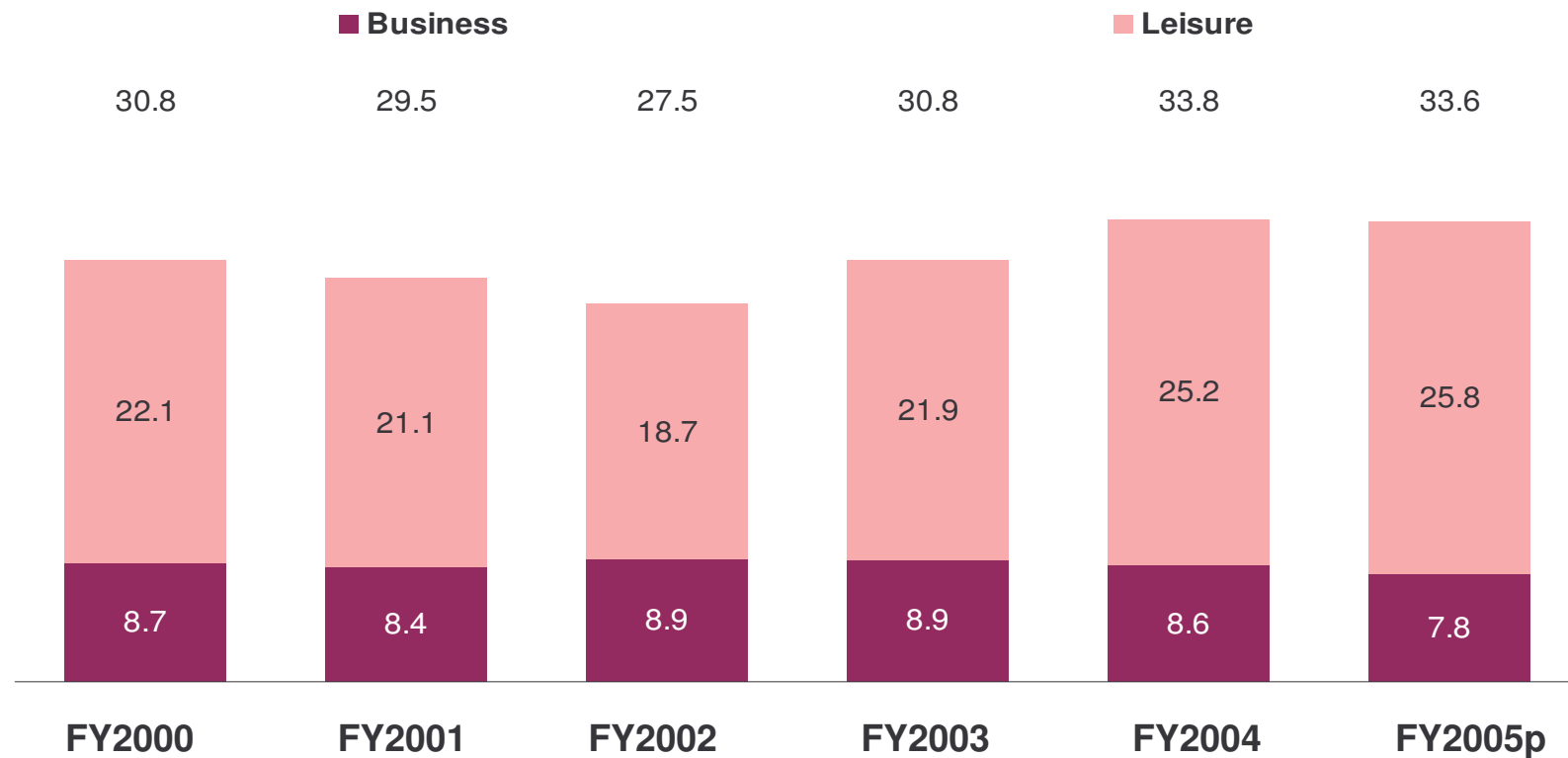
This chart summarizes New Jersey Travel Party volume. The total number of Travel Parties visiting New Jersey in FY2005p was 33.6 million.



New Jersey Travel Party (Stays) Volume: Business vs. Leisure (FY2000-FY2005p/millions)



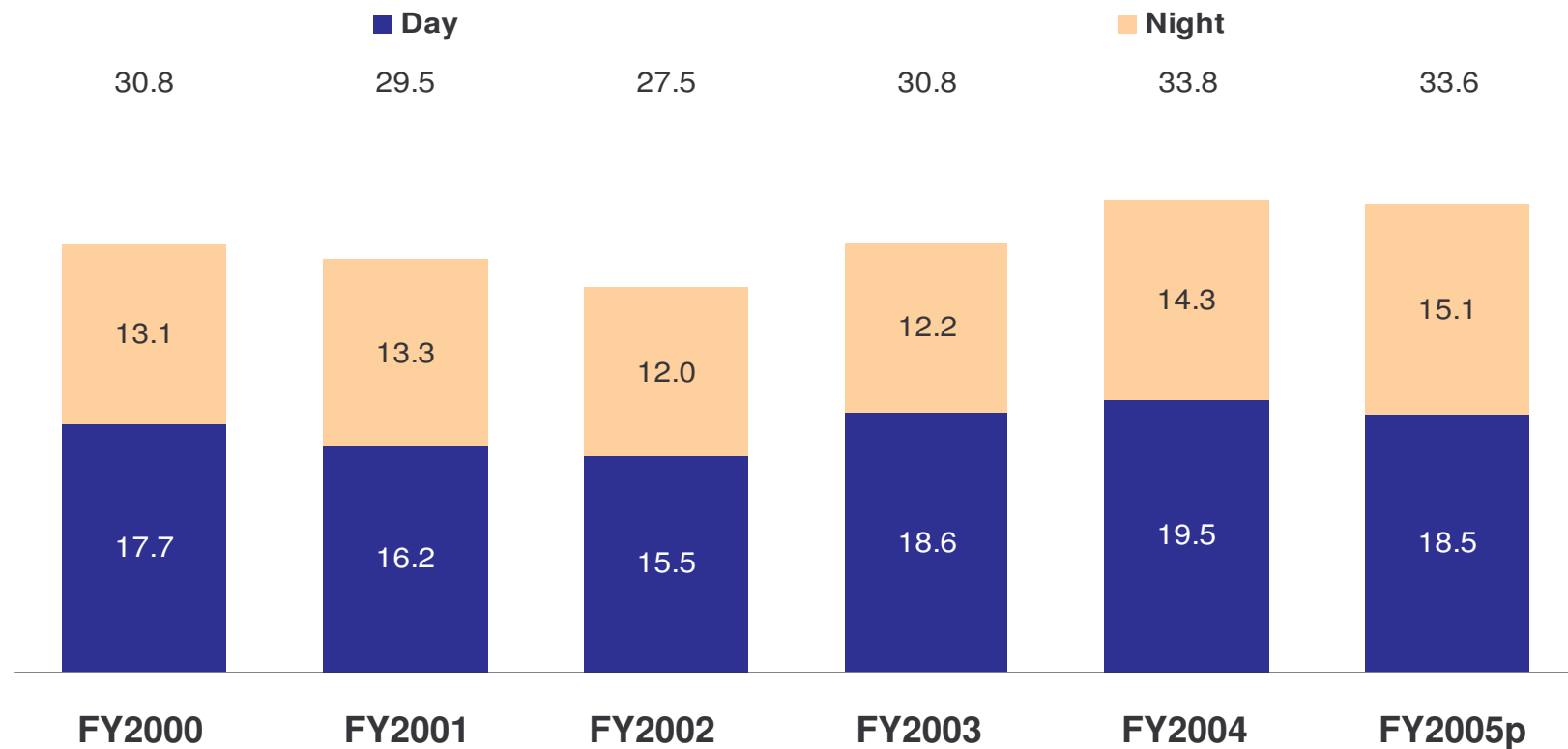
Total Travel Party volume has remained flat between FY2004 and FY2005p. Even though business Travel Parties decreased by 8.6%, the large, stable share of leisure Travel Parties has kept overall Travel Party volume similar to FY2004 at 34 million.



New Jersey Travel Party (Stays) Volume: Day vs. Overnight (FY2000-FY2005p/millions)



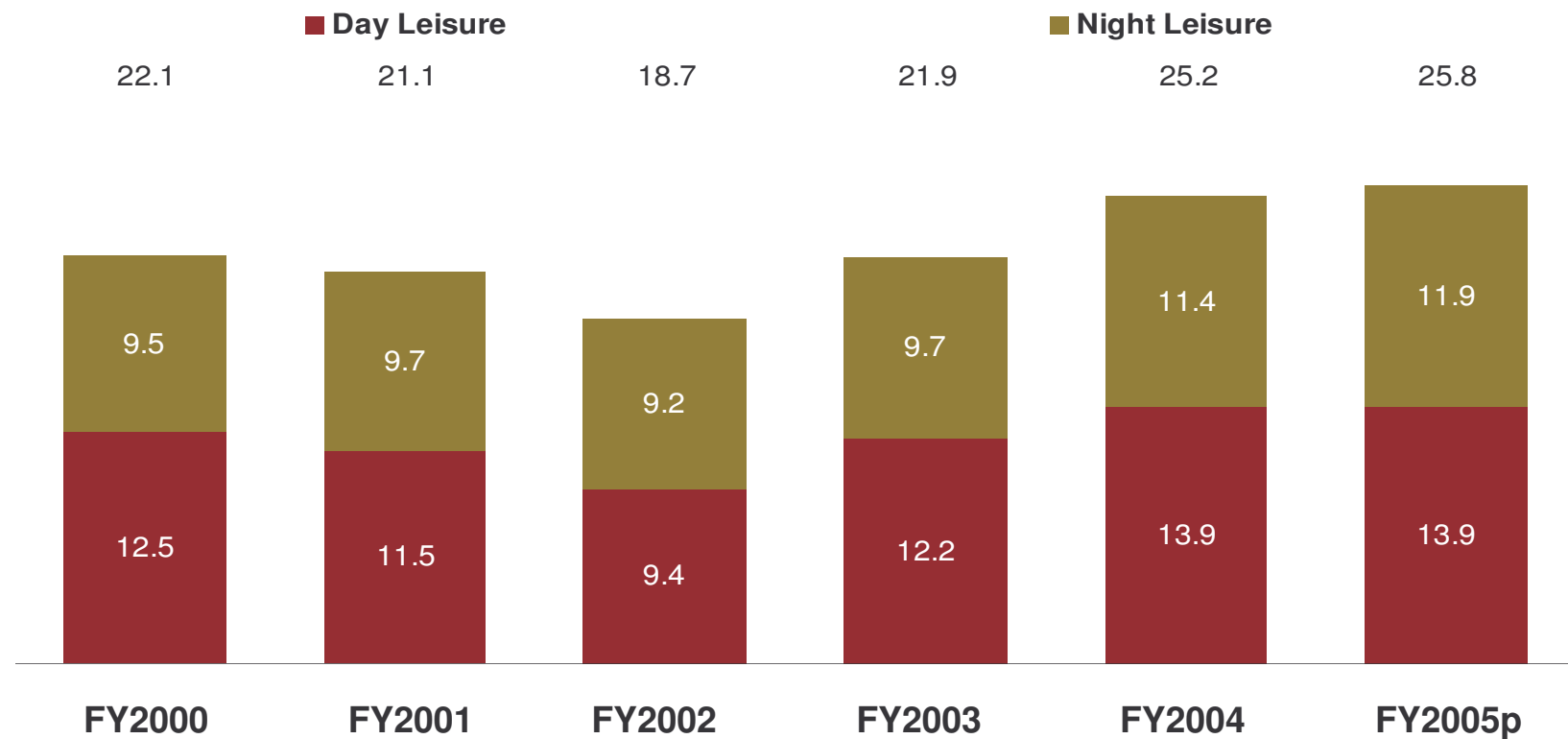
Overnight volume hit a six year year high with 15.1 million Travel Parties, an increase of 6.1% over FY2004 . In contrast, day Travel Parties dropped by 5.3% to 18.5 million, almost the same level as FY2003. Day Travel Parties continue to represent the majority share (55%) of all New Jersey Travel Parties.



New Jersey Travel Party (Stays) Volume: Day Leisure vs. Overnight Leisure (FY2000-FY2005p/millions)



The growth (2.3%) in the number of leisure Travel Parties to New Jersey is attributed to growth (9.8%) in the overnight segment. This represents the third year of continued growth in overnight leisure Stays. In contrast, day leisure Travel Party volume has remained flat between FY2004 and FY2005p, this after two consecutive years of growth.



New Jersey Travel Party (Stays) Volume: % Change by Travel Segment



% Change FY05p/FY04

| | <u>U.S.</u> | <u>New Jersey</u> |
|----------------------|-------------|-------------------|
| <i>Total</i> | 2.4% | -0.5% |
| <i>Business</i> | -3.9% | -8.6% |
| <i>Leisure</i> | 5.8% | 2.3% |
| <i>Day</i> | 1.2% | -5.3% |
| <i>Night</i> | 3.7% | 6.1% |
| <i>Day Leisure</i> | 5.9% | -0.1% |
| <i>Night Leisure</i> | 5.7% | 5.2% |

- While New Jersey Travel Party volume remained flat in FY2005p, the Nation experienced only modest growth.
- Both the U.S. and the State experienced declines in the volume of business Travel Parties in FY2005p. Conversely, they both experienced growth in the number of leisure Travel Parties. In both cases New Jersey did not fare as well as the Nation.
- Increases in leisure Travel Party volume were due to strong increases in the number of overnight leisure Travel Parties for both geographies. While day leisure Travel Parties went up for the U.S., they remained flat for New Jersey.
- New Jersey experienced a much greater increase in overnight Travel Parties than did the U.S.

New Jersey Travel Party (Stays) Volume Intelligence



- New Jersey Travel Party volume remained virtually flat with only a 0.5% decrease from 33.8 million in FY2004 to 33.6 million in FY2005p.
 - Leisure Travel Parties increased 2.3% in FY2005p to a six year high of 25.8 million, while business Travel Parties decreased by 8.6% to a six year low of 7.83 million. Because the share of leisure Travel Parties is so much greater than business Travel Parties, the overall impact of the decrease in the business segment was minimized.
 - The increase in leisure Travel Parties can be attributed to a 5.2% increase in overnight leisure Travel Parties to a six year high of 11.94 million. Day leisure Travel Parties remained virtually unchanged between FY2004 and FY2005p.
 - Overnight Travel Parties increased by 6.1% to a six year high of 15.14 million in FY2005p, while day trips declined by 5.3% to a three year low of 18.49 million Travel Parties. The result is that because the overnight share is only slightly greater than the day-trip share, the overall change was minimal.

New Jersey Person-Stays Volume Trends



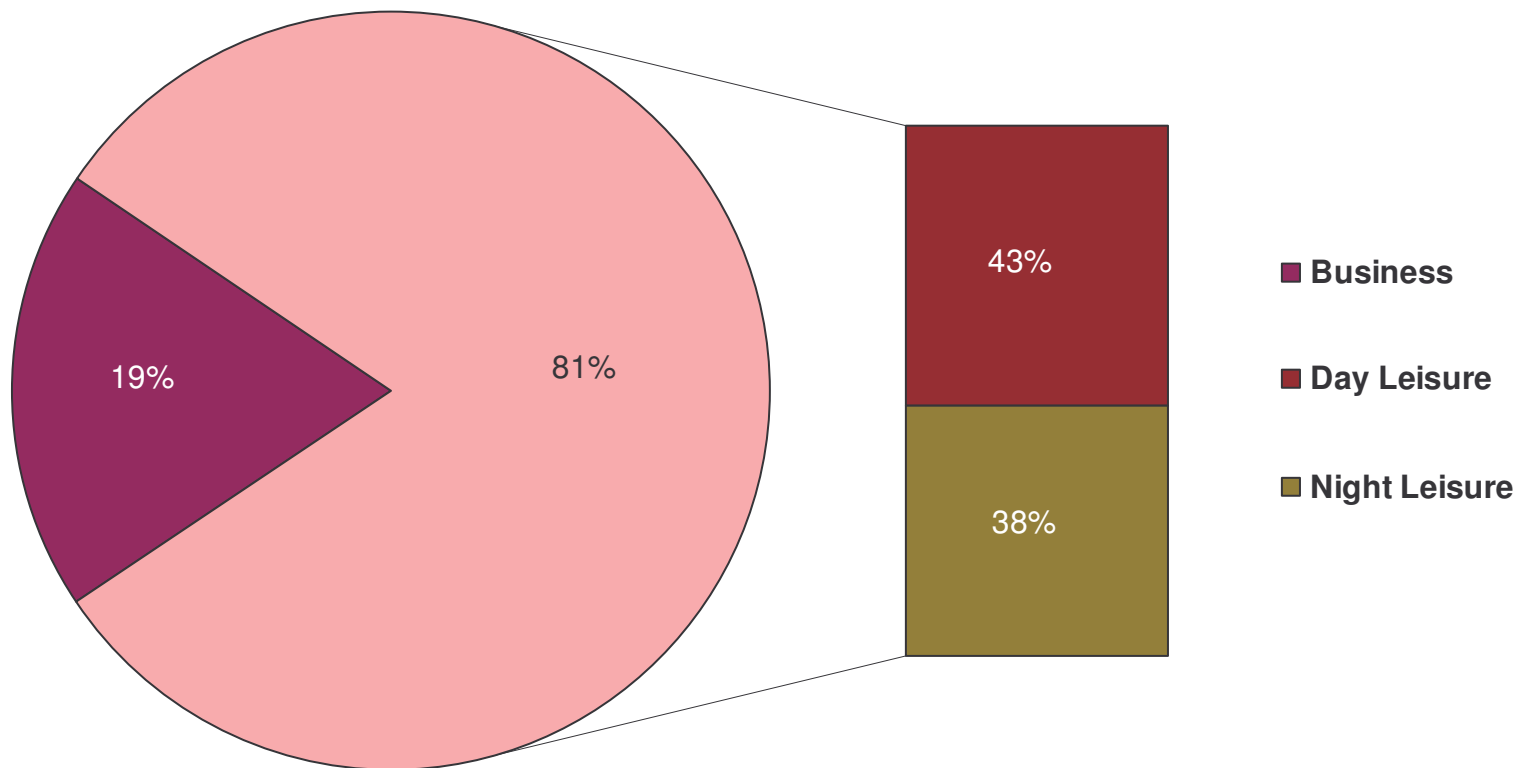
- The following section will detail the Person-Stays volume trend in New Jersey over the last six years. Person-Stays volume measures the number of people that traveled to a market and includes any repeat visits.

Mr. & Mrs. Smith's 5-day vacation in Anytown, USA = 2 Person-Stays.

FY2005p New Jersey Person-Stays Distribution: Business vs. Leisure



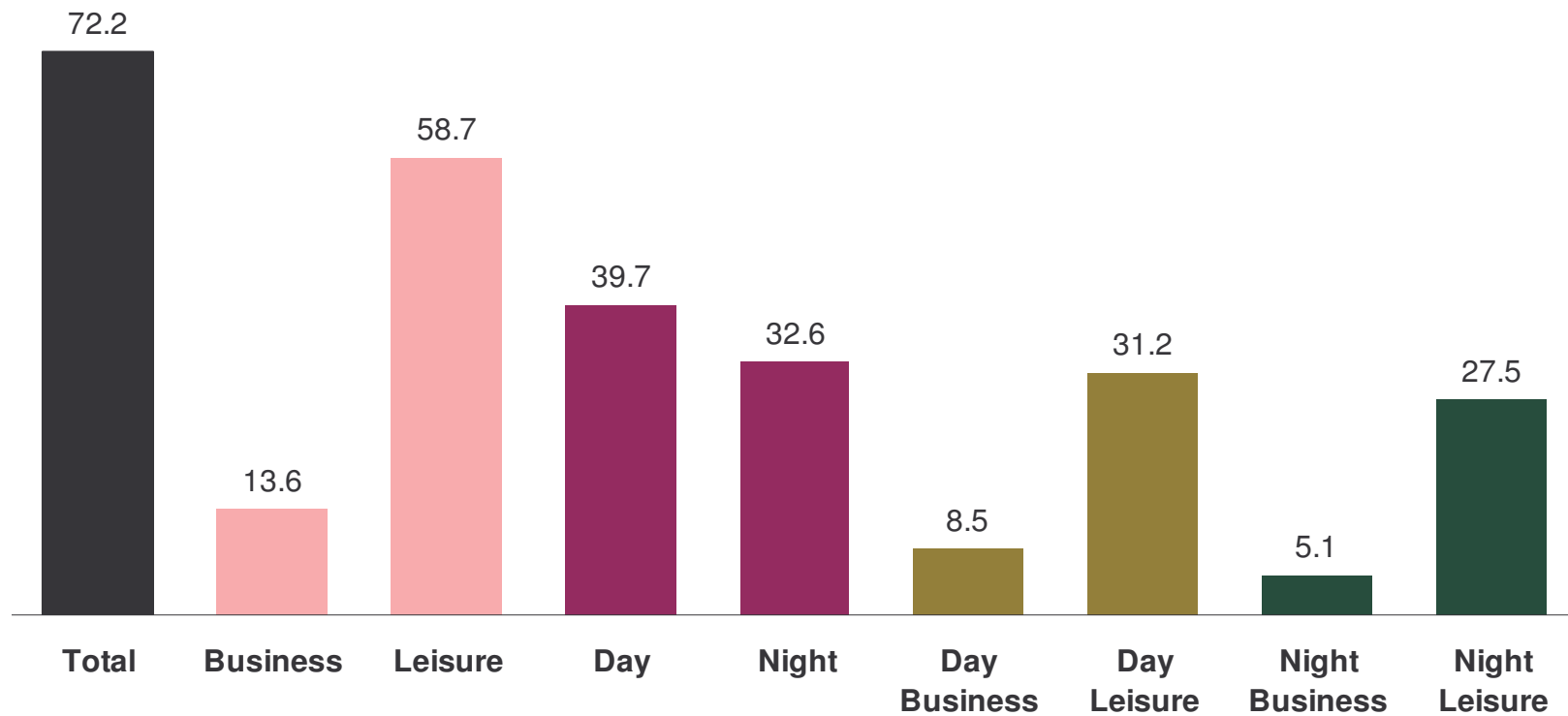
An overwhelming proportion of Person-Stays in FY2005p were for leisure purposes. Over half (53%) visited for day leisure purposes. Only 19% of people visiting New Jersey in FY2005p did so for business reasons.



New Jersey Person-Stays Volume Summary (FY2005p/millions)



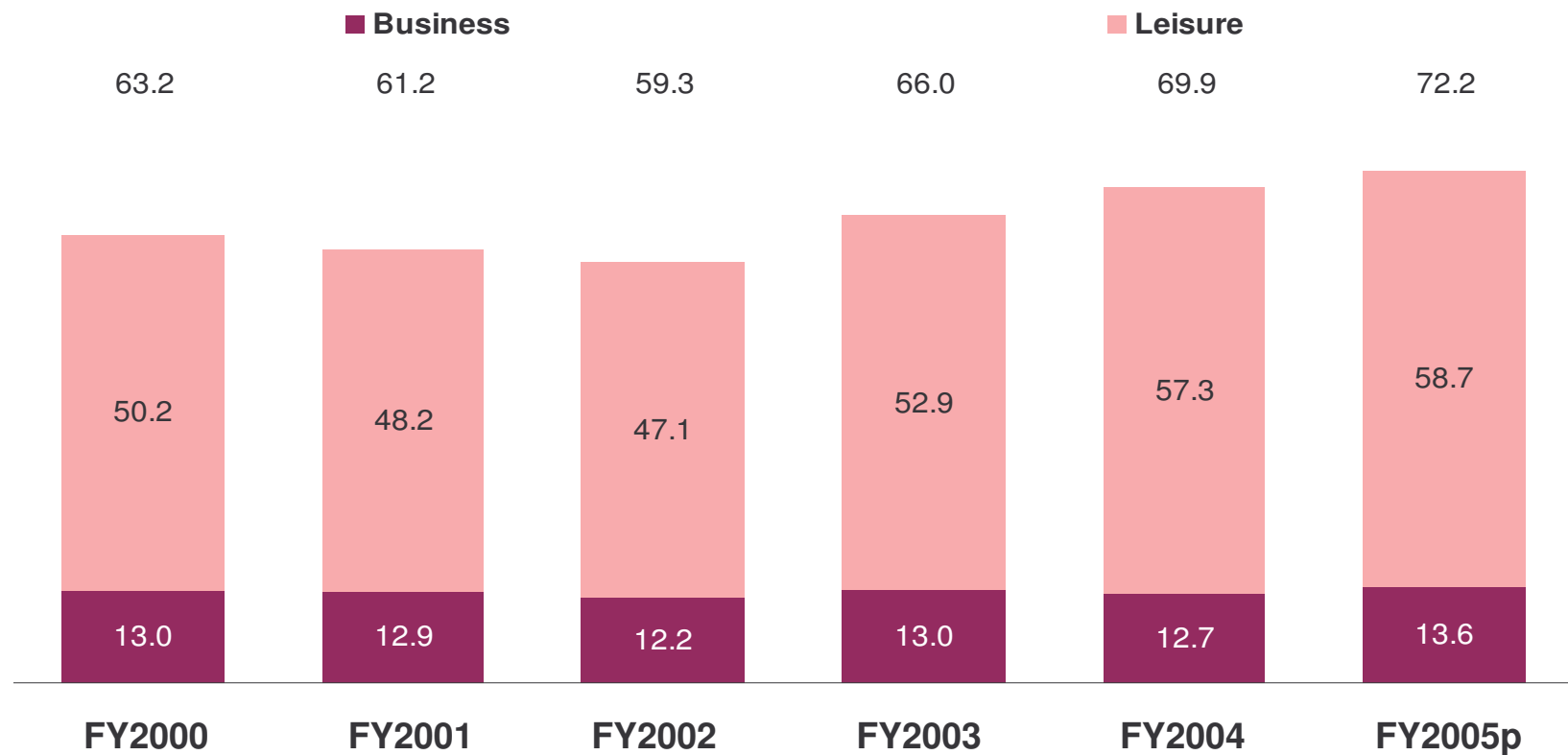
This chart summarizes New Jersey traveler volume. The total number of travelers visiting New Jersey in FY2005p was 72.2 million.



New Jersey Person-Stays Volume: Business vs. Leisure (FY2000-FY2005p/millions)



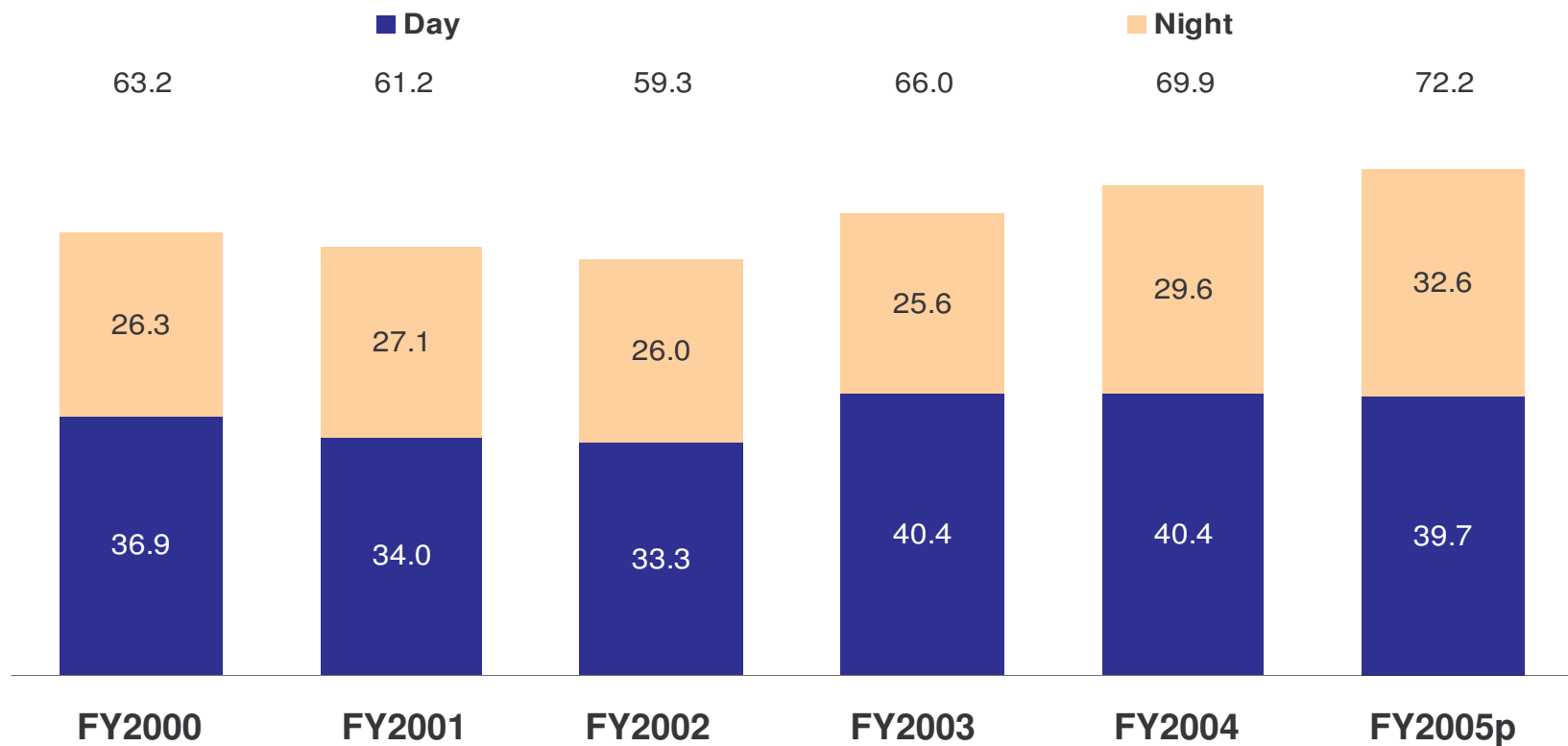
Person-Stays rose by 3.3% in FY2005P to a six year high of 72.2 million travelers. Although the leisure segment increased by 2.5% and accounts for the majority of New Jersey Person-Stays, the business segment led the FY2005p growth with an increase of 7%.



New Jersey Person-Stays Volume: Day vs. Overnight (FY2000-FY2005p/millions)



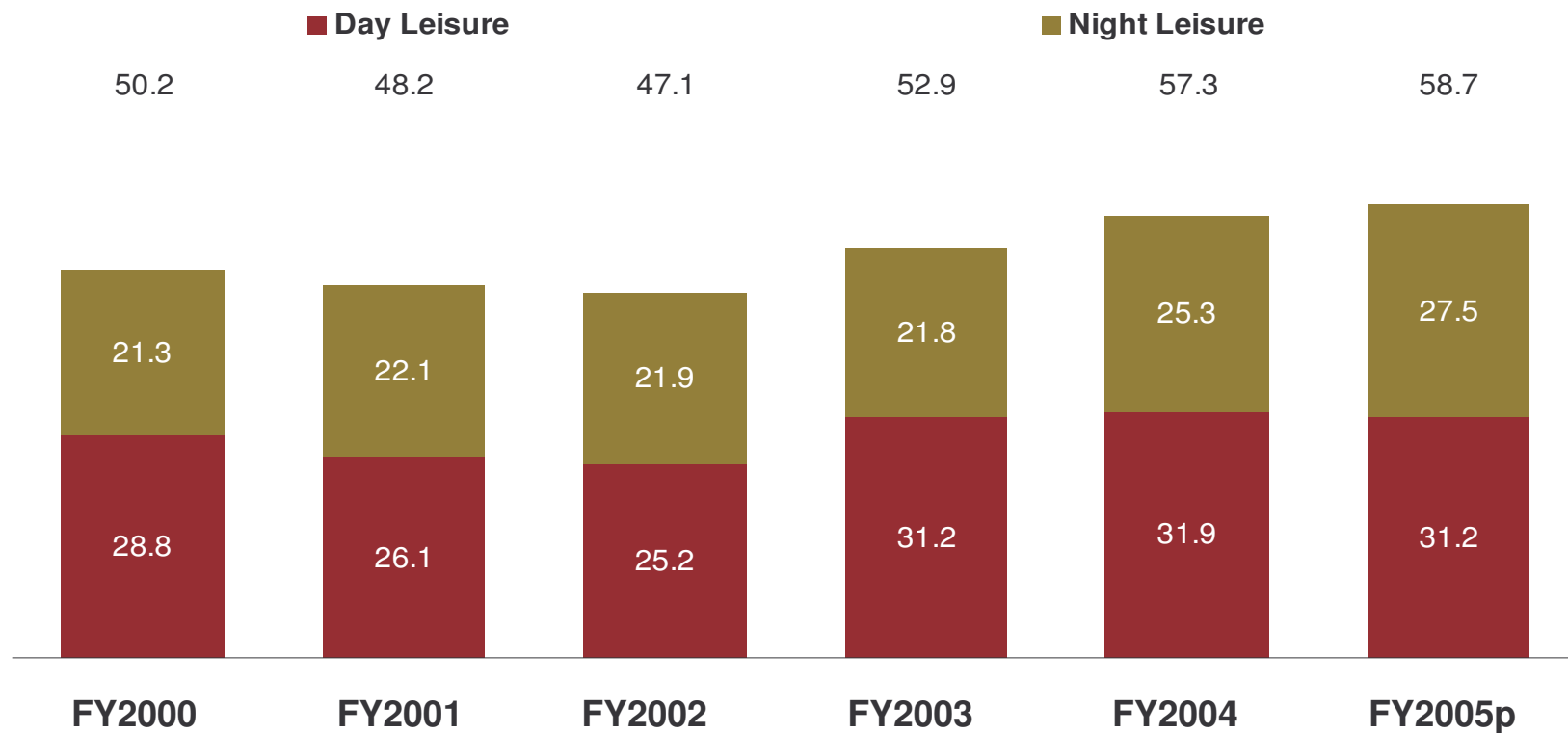
Overnight travelers to New Jersey increased for a second consecutive year, bringing their share of total travel to a six year record of 45%. Day travel decreased slightly (-1.8%) in FY2005p.



New Jersey Person-Stays Volume: Day Leisure vs. Overnight Leisure (FY2000-FY2005p/millions)



Overnight leisure travelers grew by 8.7% between FY2004 and FY2005p. In contrast, day leisure travelers decreased by 2.5%, however they still make up the largest proportion of leisure travelers (53%).



New Jersey Person-Stays Volume: % Change by Travel Segment



% Change FY05p/FY04

| | <u>U.S.</u> | <u>New Jersey</u> |
|-----------------------------|-------------|-------------------|
| <i>Total</i> | 4.8% | 3.3% |
| <i>Business</i> | 1.3% | 7.0% |
| <i>Leisure</i> | 6.0% | 2.5% |
| <i>Day</i> | 5.0% | -1.8% |
| <i>Night</i> | 4.7% | 10.2% |
| <i>Day Leisure</i> | 6.2% | -2.5% |
| <i>Night Leisure</i> | 5.8% | 8.7% |

- The number of visitors to both New Jersey and the Nation increased between FY2004 and FY2005p.
- Increases in both leisure and business travelers were experienced by the U.S. and New Jersey. For the U.S. the largest increase was in the leisure segment, which is the exact opposite of New Jersey, where business travelers represented the largest increase.
- Overnight travelers accounted for the largest visitor growth in New Jersey. For the U.S. increases of overnight and day trip visitors were fairly similar.
- The increase in leisure visitors for the U.S. can be attributed equally to day trips and overnight visitors. In contrast, day leisure visitors to New Jersey declined modestly, while overnight leisure visitors increased by 8.7%.

New Jersey Person-Stays Volume Intelligence



- New Jersey Person-Stays volume--or travelers--which takes into account the number of Travel Parties and the number of persons in a Travel Party, increased 3.3% in FY2005p to an all-time high of 72.24 million. The strong growth in FY2005p continues a three year growth trend.
 - Both leisure and business Person-Stays increased in FY2005p with records of 58.69 and 13.56 million visitors respectively. Although business travelers represent just 19% of New Jersey travelers, the largest growth was in this segment with an increase of 7%. Leisure Person-Stays increased 2.5% in FY2005p continuing a three year upward trend.
 - Day visitors dropped slightly (-1.8%) in FY2005p, but the real story is among overnight visitors, which grew 10.2% to a record 32.6 million visitors. Overnight leisure visitors contributed to this growth with an increase of 8.6%. Day leisure visitors decreased by 2.1% in FY2005p.
 - In summary, New Jersey total Person-Stays travel volume was up in FY2005p. Total Stays (Travel Parties), however were down. Thus, the increase in Person-Stays is due to a 3.85 increase in average party size.

New Jersey Person-Day Volume Trends



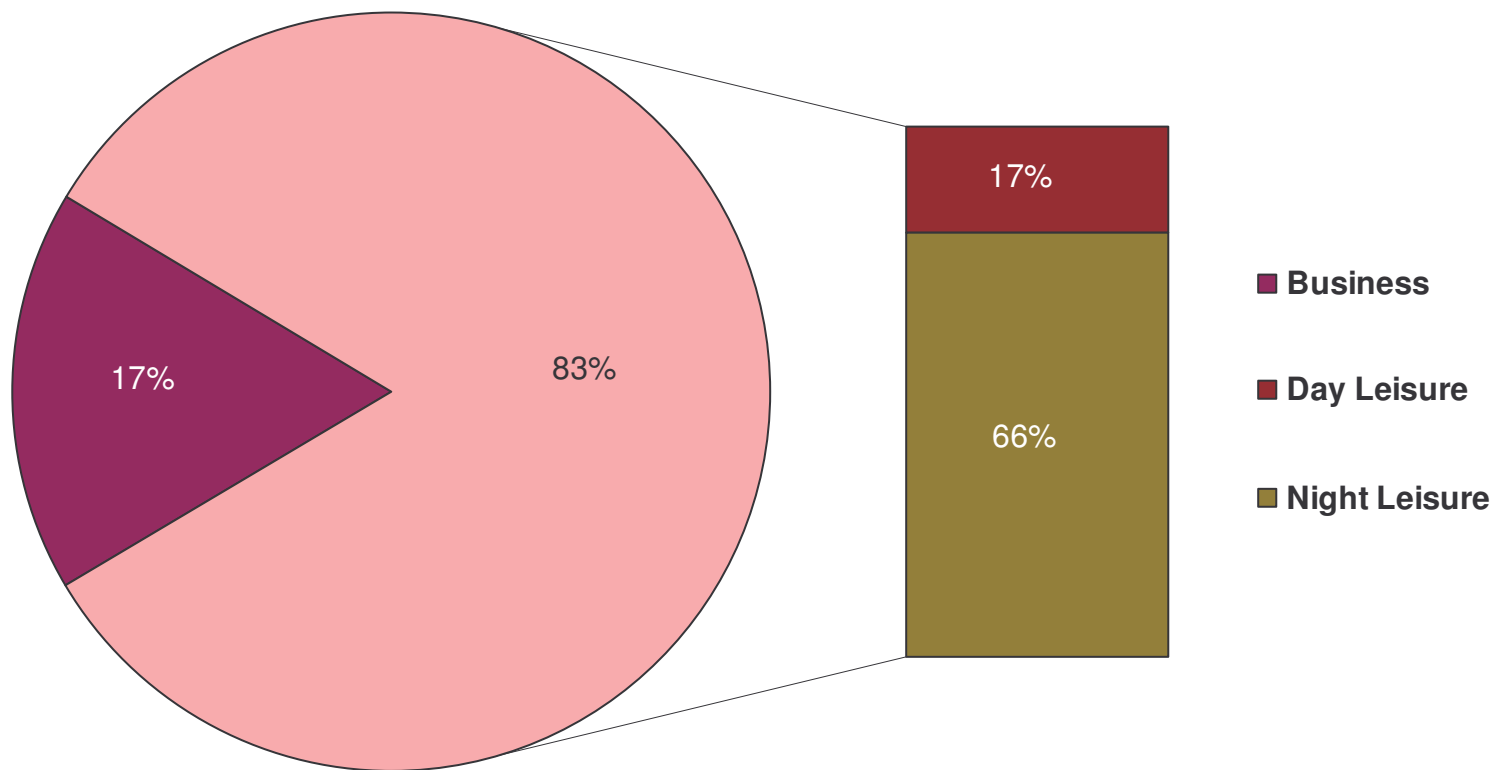
- The following section will detail the person-day volume trend in New Jersey over the last six years. Person-day volume measures the impact of a visitor to a market by including the length of stay and party size into the volume measure.

Mr. & Mrs. Smith's 5-day vacation in Anytown, USA = 10 Person-Days. (2 Person-Stays x 5 days)

FY2005p New Jersey Person-Days Distribution: Business vs. Leisure



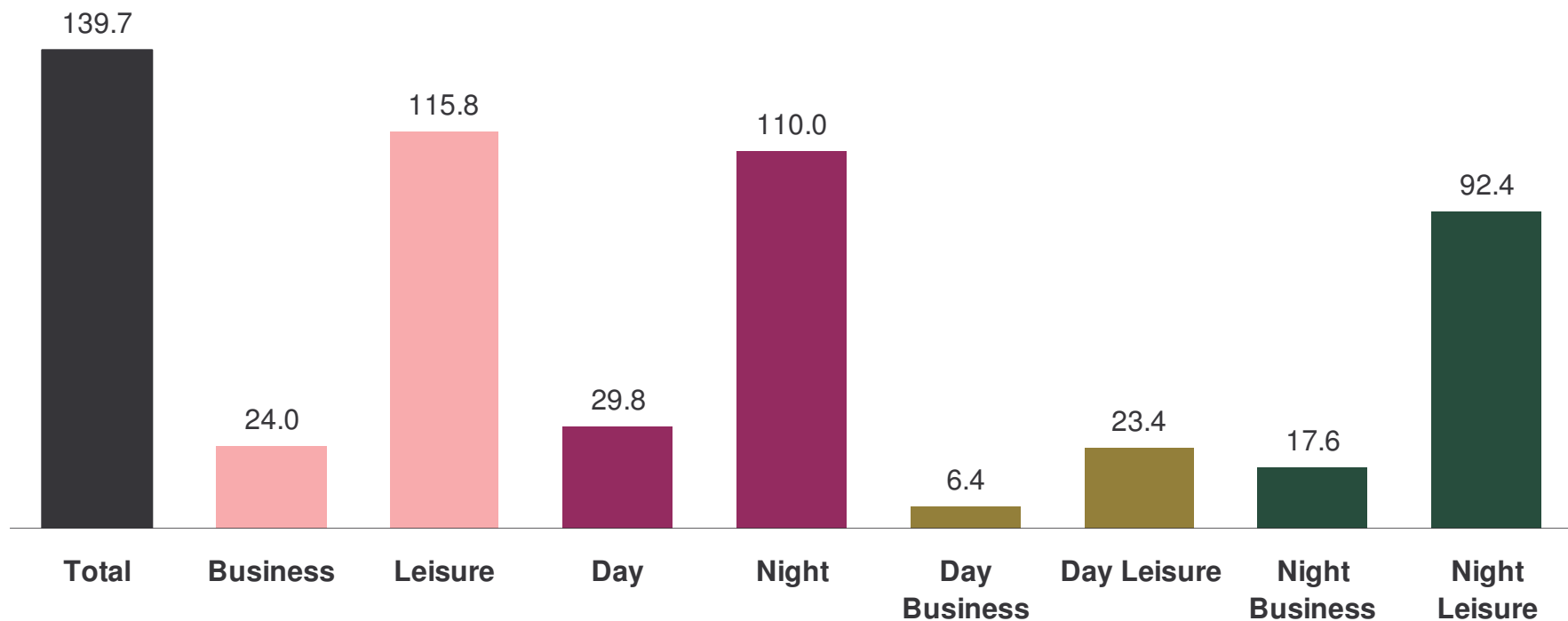
Leisure travel makes up the majority of Person-Days in New Jersey. Overnight leisure accounts for 80% of leisure person days.



New Jersey Person-Days Volume Summary (FY2005p/millions)



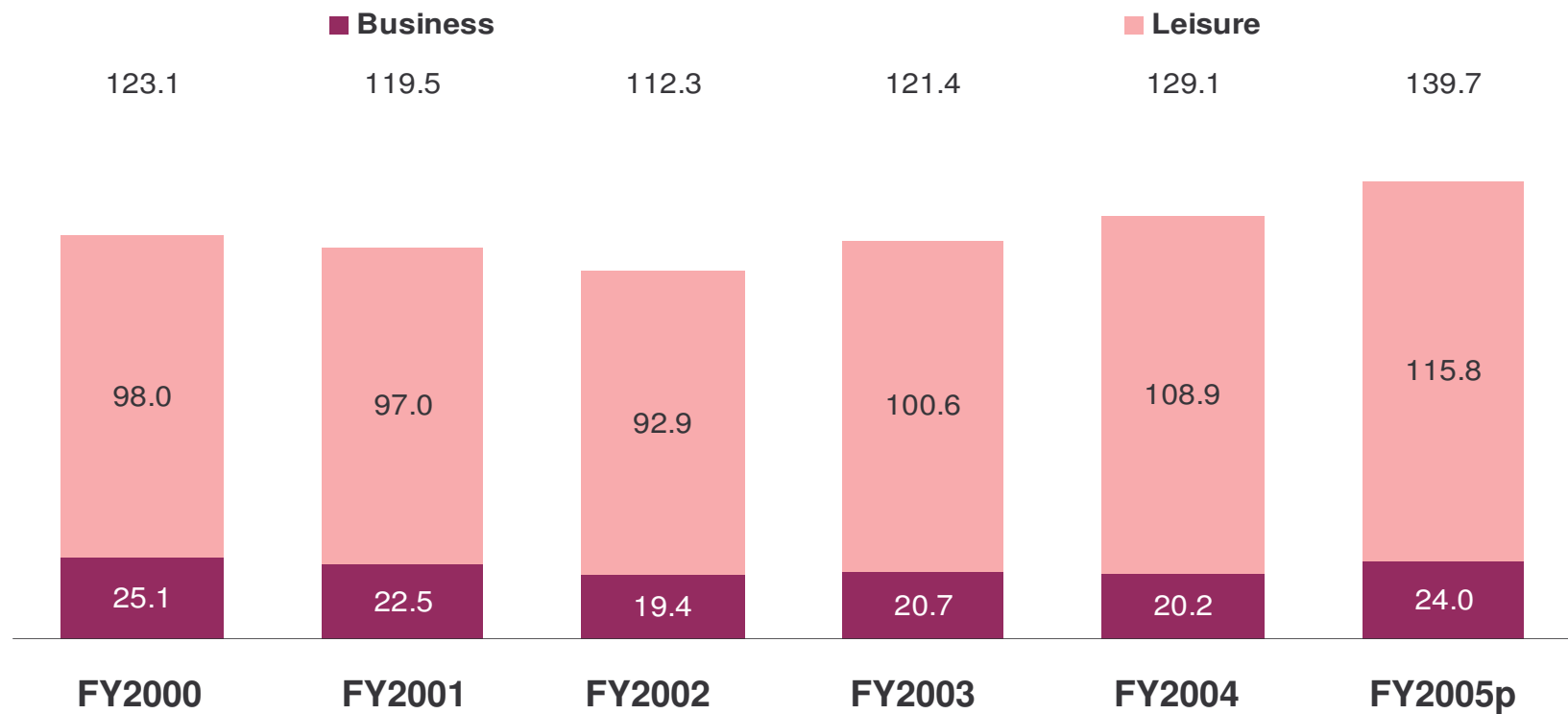
This chart summarizes New Jersey Person-Days volume. The total number of Person-Days in FY2005p reached a six year high of 139.7 million.



New Jersey Person-Days Volume: Business vs. Leisure (FY2000-FY2005p/millions)



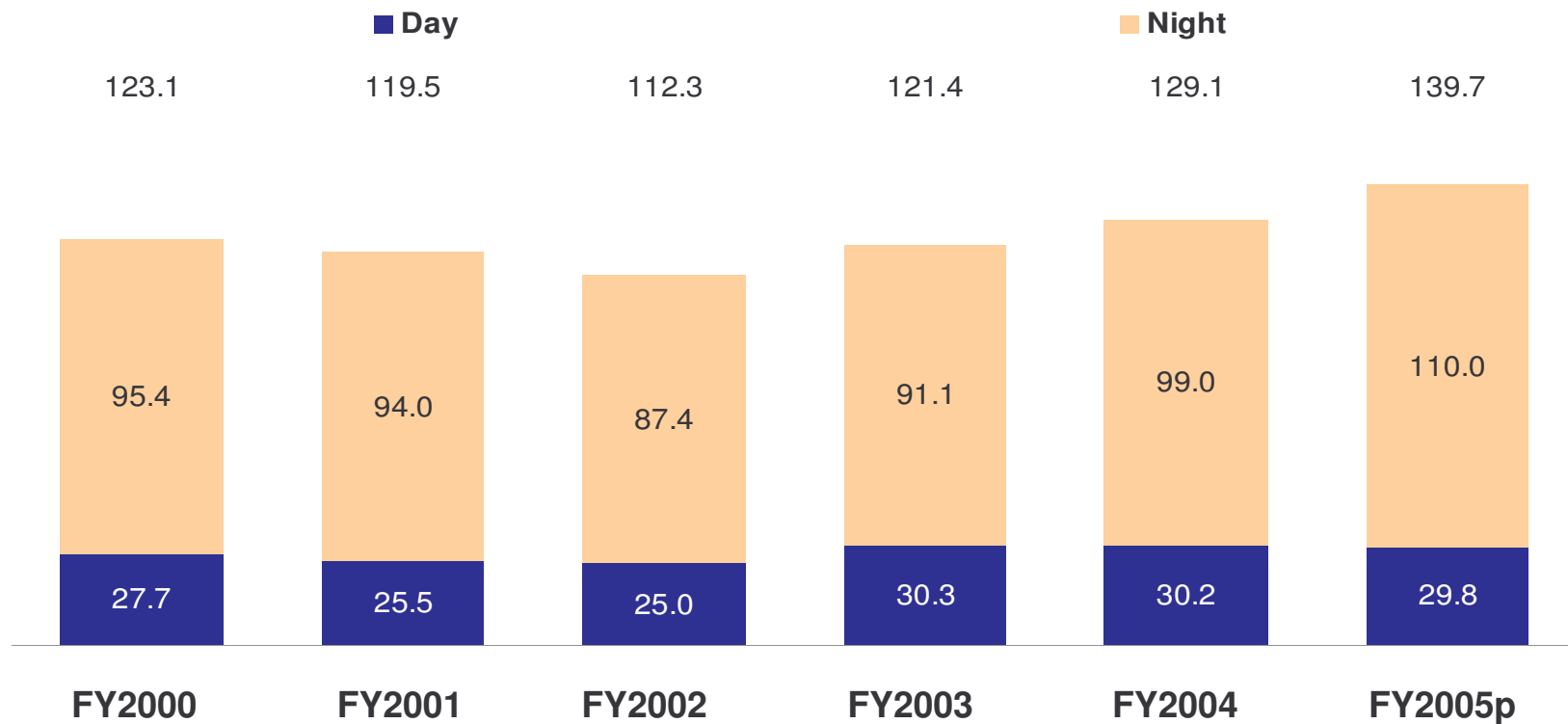
Business Person-Days increased by 18.7% in FY2005p approaching FY2000 levels. Leisure Person-Days increased by 6.3% reaching a six year high of 115.8 million.



New Jersey Person-Days Volume: Day vs. Overnight (FY2000-FY2005p/millions)



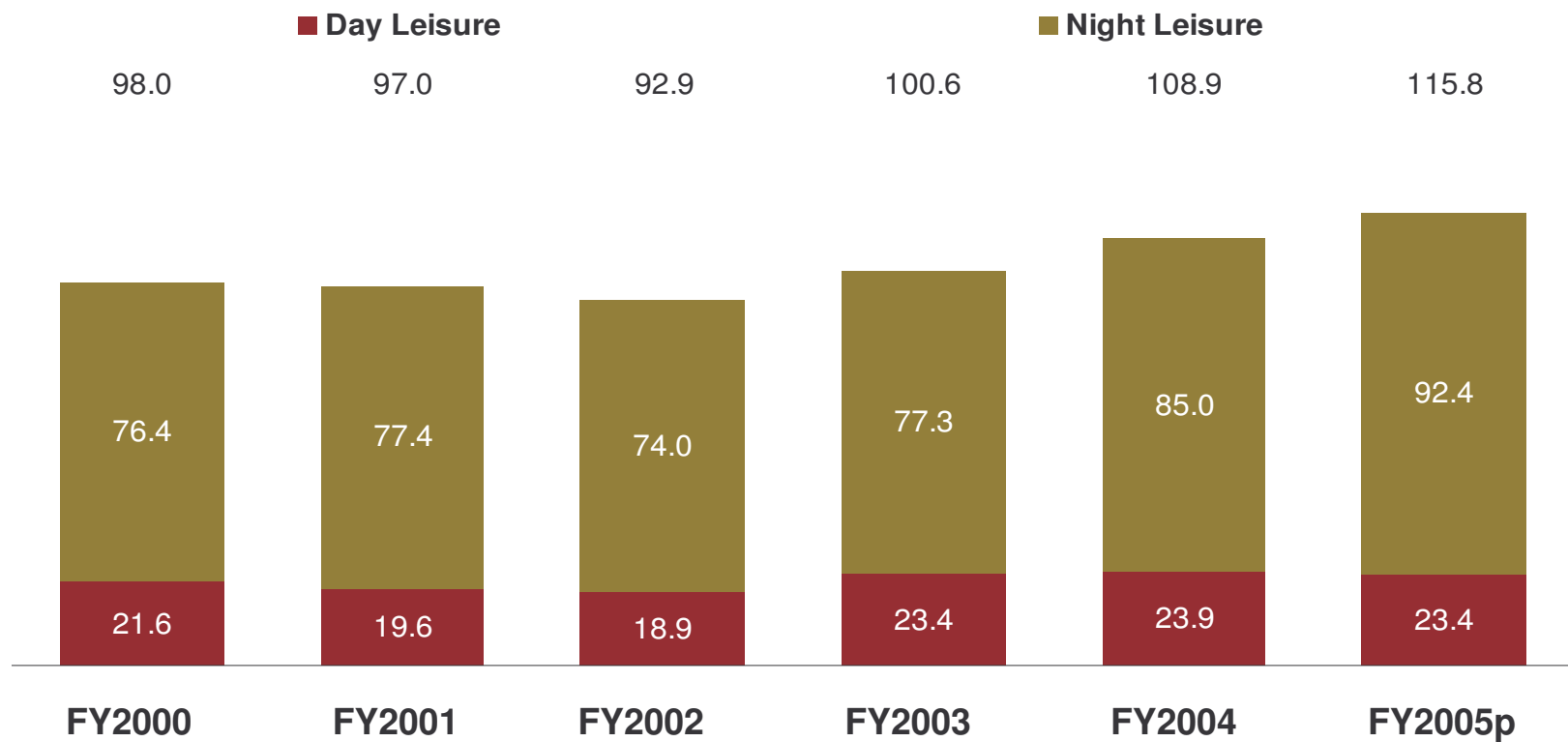
An increase of 11.1% represents the third year of growth in the overnight Person-Days segment. Day Person-Days declined for the second consecutive year (-1.4%). Overnight Person-Days continues to account for the largest proportion (79%) of total Person-Days volume.



New Jersey Person-Days Volume: Day Leisure vs. Overnight Leisure (FY2000-FY2005p/millions)



Overnight leisure Person-Days increased for the third straight year representing a six year high of 92.4 million Person-Days. Day leisure Person-Days decreased by 2.1% in FY2005p.



New Jersey Person-Days Volume: % Change by Travel Segment



% Change FY05p/FY04

| | <u>U.S.</u> | <u>New Jersey</u> |
|-----------------------------|-------------|-------------------|
| <i>Total</i> | 4.0% | 8.2% |
| <i>Business</i> | 0.7% | 18.7% |
| <i>Leisure</i> | 5.1% | 6.3% |
| <i>Day</i> | 5.0% | -1.4% |
| <i>Night</i> | 3.8% | 11.1% |
| <i>Day Leisure</i> | 6.2% | -2.1% |
| <i>Night Leisure</i> | 4.8% | 8.6% |

- The number of Person-Days for both New Jersey and the Nation increased between FY2004 and FY2005p. The growth for New Jersey was almost double that of the Nation.
- Increases in both leisure and business Person-Days were experienced by the U.S. and New Jersey. For the U.S. the largest increase was in the leisure segment, which is the opposite of New Jersey, where business represented the largest (18.7%) increase.
- For New Jersey, overnight Person-Days grew at a double digit rate, while day trip Person-Days decreased slightly. These two segments grew fairly similarly for the Nation.
- The increase in leisure Person-Days for the U.S. can be attributed almost equally to day and overnight days. In contrast, day leisure Person-Days declined modestly for New Jersey, while overnight leisure days increased by 8.6%.

New Jersey Person-Days Volume Intelligence



- New Jersey Person-Days volume, which takes into account Travel Parties, party size, and stay length, increased 8.2% in FY2005p to a six year high of 139.7 million.
 - Leisure Person-Days increased 6.3% FY2005p to 115.8 million, while business Person-Days increased 18.7% to 24 million. Thus, although business Person-Days led the growth, the FY2005p increase in total Person-Days is a result of an increase in both leisure and business segments. Leisure Person-Days reached an all-time high in FY2005p, while business Person-Days is approaching the FY2000 level of 25 million.
 - Overnight Person-Days increased 11.1% in FY2005p to 110 million, while day Person-Days decreased slightly (1.4%) to 29.8 million. Thus, the overnight segment was the sole contributor to the total increase. The overnight segment set a six year record for Person-Days in FY2005p, while the day trip segment dropped back to FY2003 levels.
 - Overnight Leisure Person-Days increased 8.6% in FY2005p to a record 92.4 million.
 - Increases and decreases in Person-Days for all travel segments are about the same level or higher than the comparable changes measured in Person-Stays. Thus in summary, most travel segments had increases in Person-Days in FY2005p—many to record levels—as a result of increases in stay length more than offsetting a decrease in the number of Travel Parties.

New Jersey Direct Spending Trends

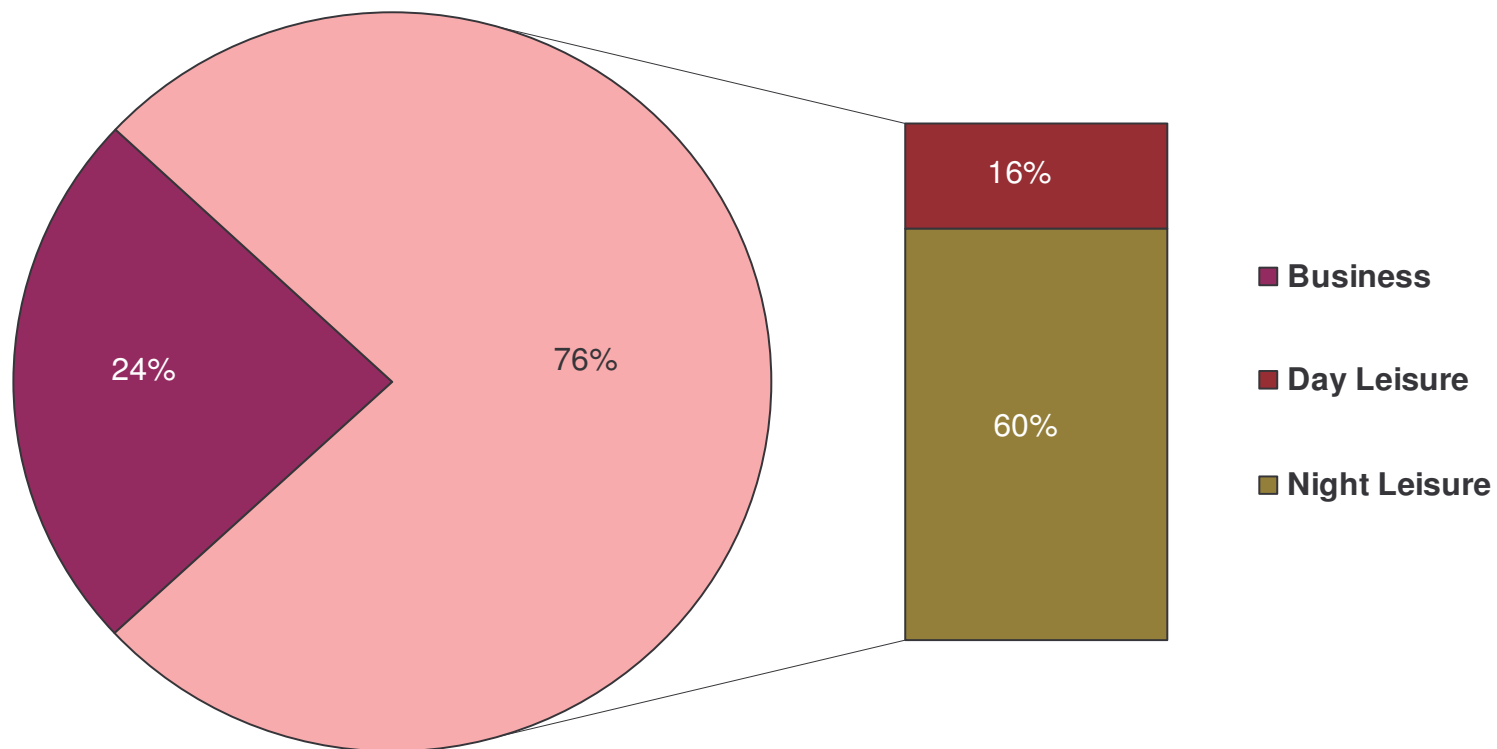


- The following section will detail the Direct Spending volume trend in New Jersey over the last six years. Direct spending volume measures the total traveler spending in a market. The Direct Spending measure tracks total traveler spending on transportation, accommodations, food and beverage, entertainment, shopping, and other miscellaneous travel costs. Direct spending does not measure the indirect or induced economic impact driven by traveler spending. (The indirect and induced spending estimates can be purchased separately in the *PERFORMANCE/MonitorSM ECONOMIC IMPACT* report).

FY2005p New Jersey Direct Spending Distribution: Business vs. Leisure



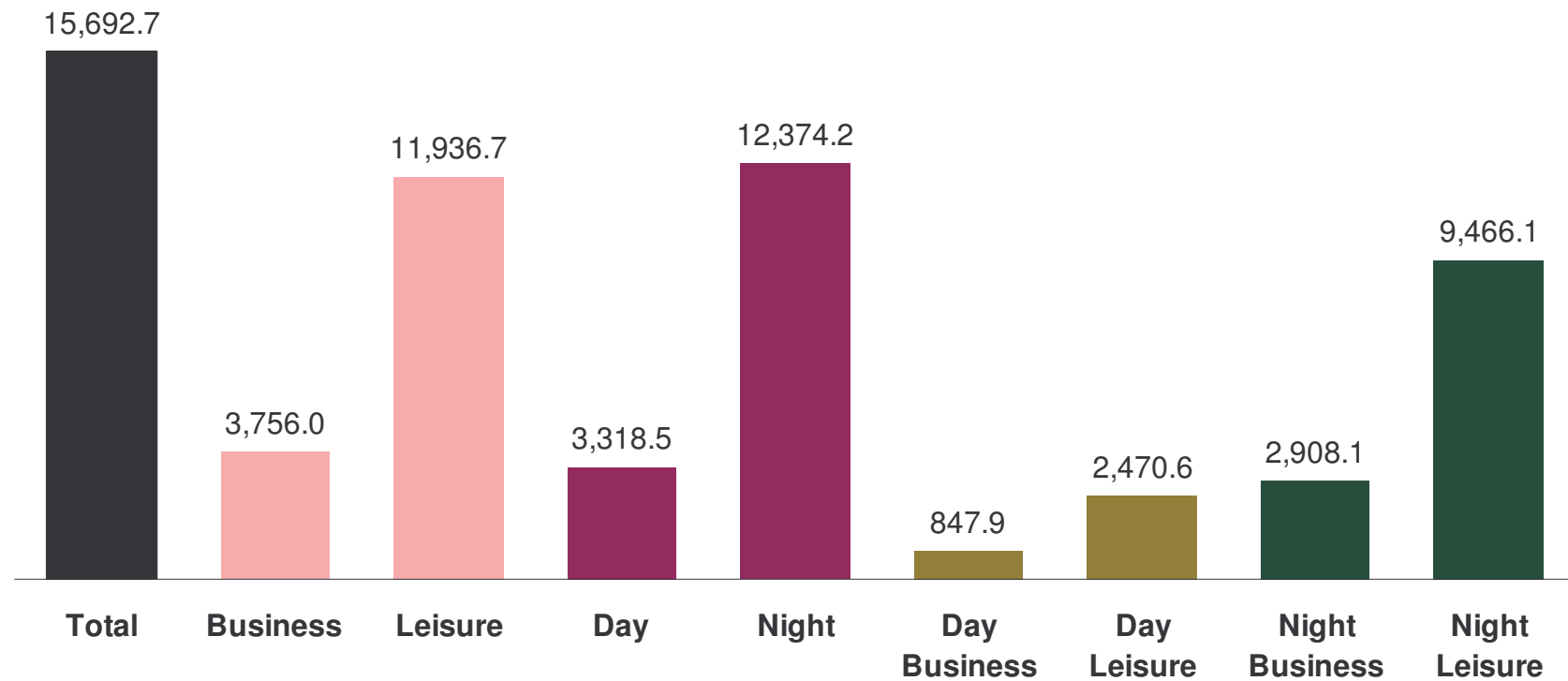
The leisure travel market accounts for three-quarters of all Direct Spending. The overnight leisure segment accounts for 79% of the Direct Spending in the leisure market.



New Jersey Direct Spending Summary (FY2005p/\$millions)



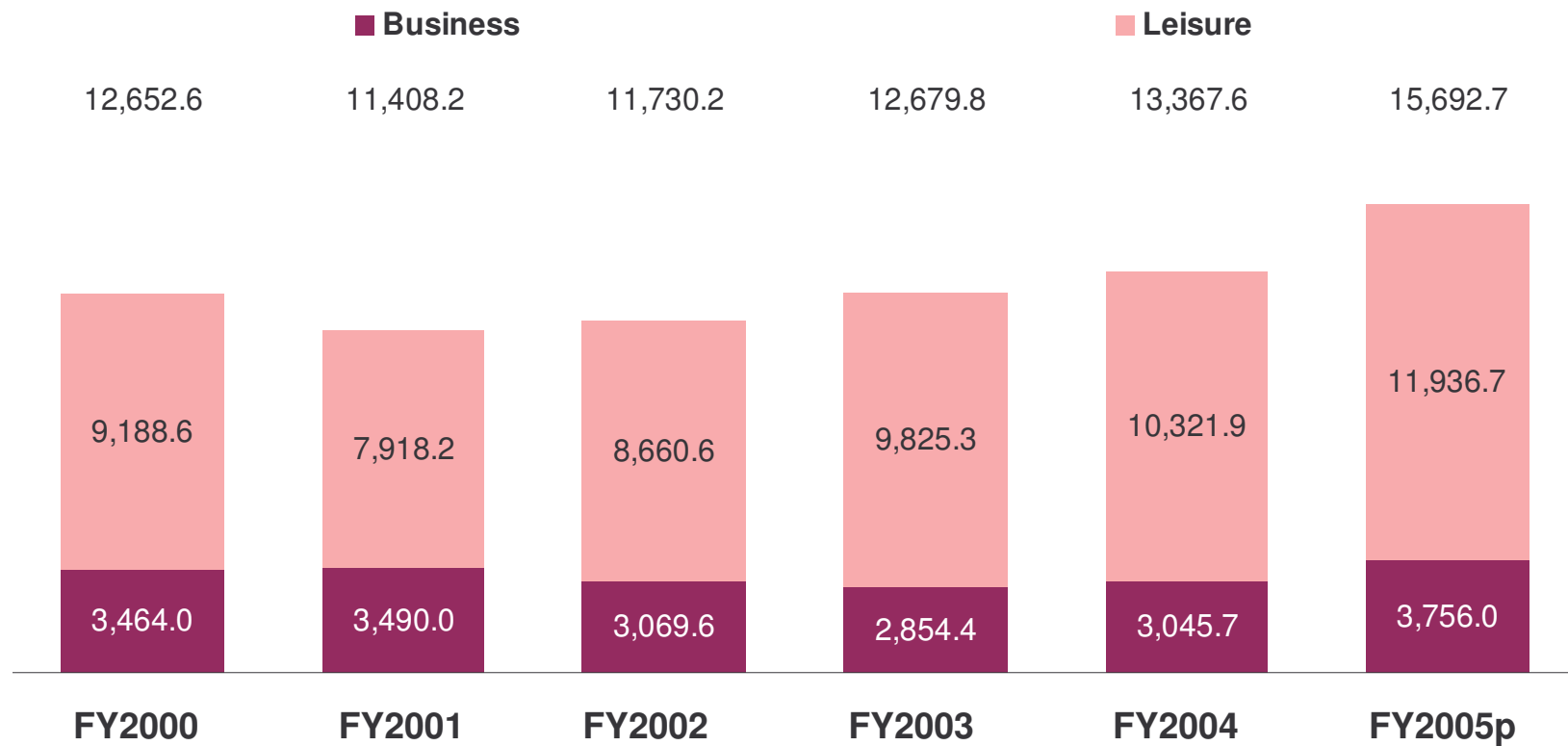
This chart summarizes New Jersey traveler spending for each of the travel segments discussed in this report. Direct spending (no indirect or induced spending impacts included) includes spending by travelers on transportation, accommodations, food and beverage, shopping, entertainment, and other miscellaneous purchases. Total Direct Spending increased by 17.4% in FY2005p to a six year high of \$15.7 billion.



New Jersey Direct Spending: Business vs. Leisure (FY2000-FY2005p/\$millions)



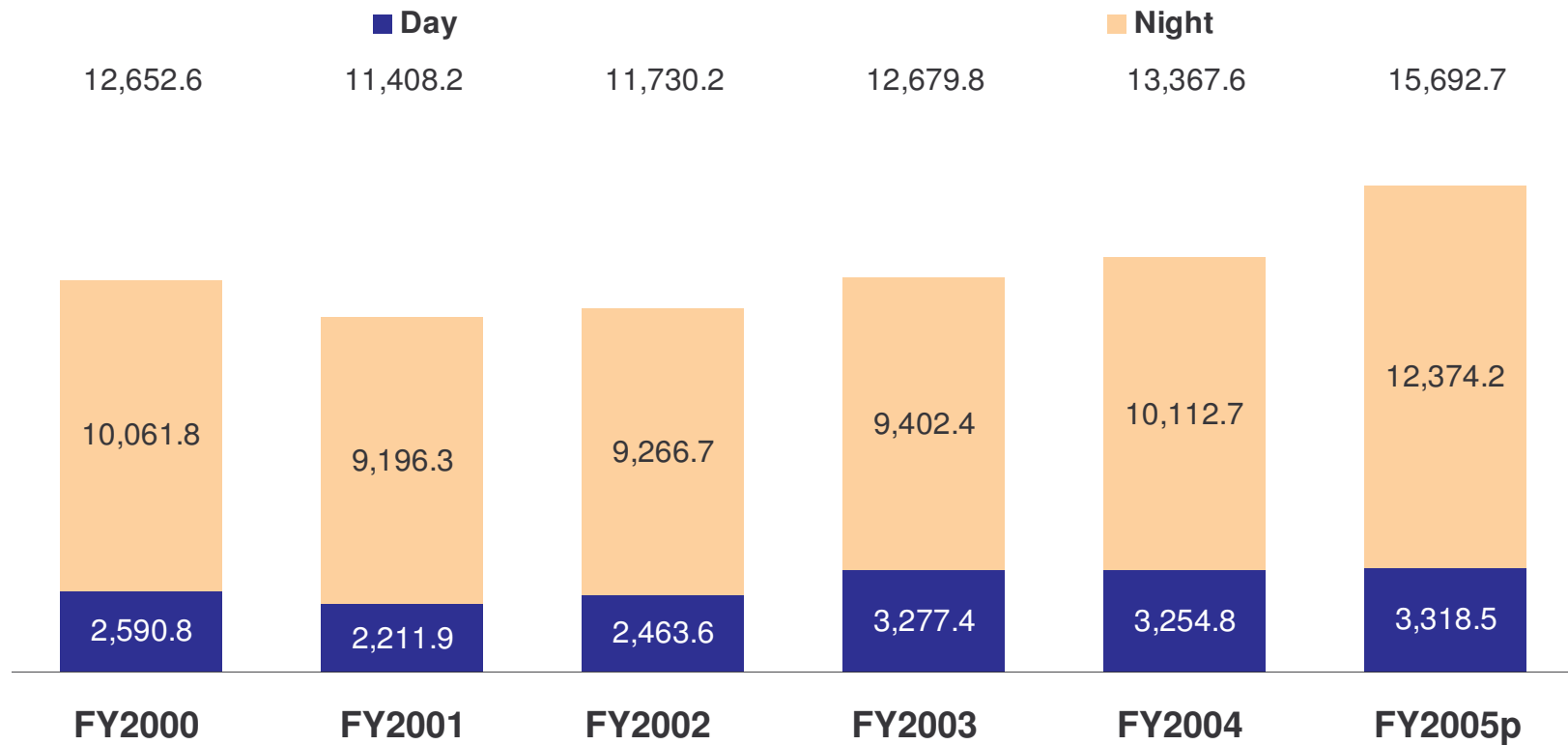
Direct Spending in the business segment grew for the second consecutive year with an increase of 23.3% in FY2005p. Leisure spending also grew (15.6%) to a six year high of \$11.9 billion.



New Jersey Direct Spending: Day vs. Overnight (FY2000-FY2005p/\$millions)



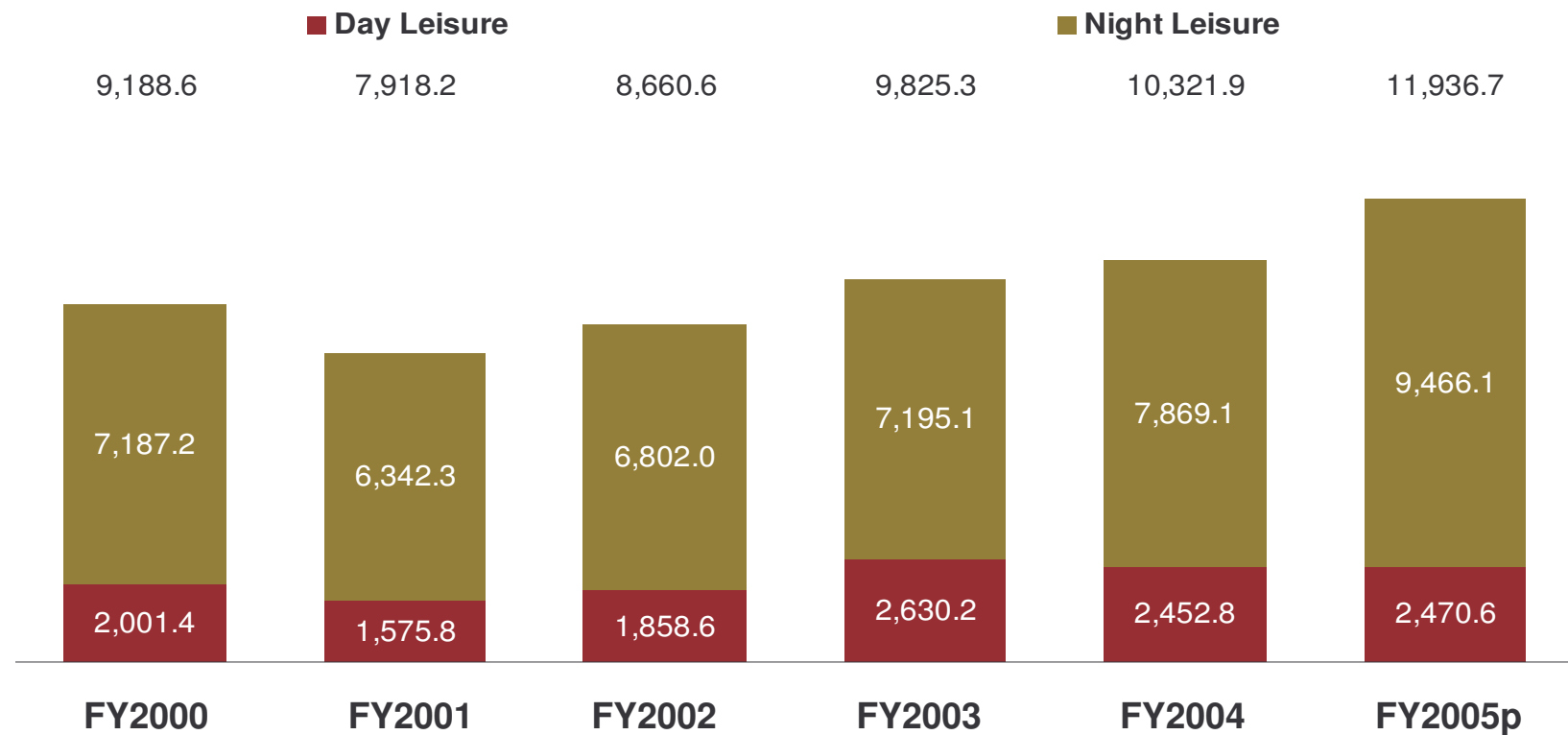
Overnight spending increased by 22.4% in FY2005p, to the highest level in six years. Day spending increased modestly at 2%.



New Jersey Direct Spending: Day Leisure vs. Overnight Leisure (FY2000-FY2005p/\$millions)



Overnight leisure spending grew for the fourth consecutive year. With an increase of 20.3% overnight Direct Spending has reached a new high of \$9.5 billion. After a decline in FY2004, day leisure Direct Spending remained flat between FY2004 and FY2005p.



New Jersey Traveler Direct Spending: % Change by Travel Segment



% Change FY05p/FY04

| | <u>U.S.</u> | <u>New Jersey</u> |
|-----------------------------|-------------|-------------------|
| <i>Total</i> | 7.8% | 17.4% |
| <i>Business</i> | 5.5% | 23.3% |
| <i>Leisure</i> | 8.8% | 15.6% |
| <i>Day</i> | 9.1% | 2.0% |
| <i>Night</i> | 7.6% | 22.4% |
| <i>Day Leisure</i> | 5.3% | 0.7% |
| <i>Night Leisure</i> | 9.6% | 20.3% |

- Direct Spending for both New Jersey and the Nation increased between FY2004 and FY2005p. The growth for New Jersey was more than double that of the Nation.

- Increases in both business and leisure Direct Spending were experienced by the U.S. and New Jersey. For the U.S. the largest increase was in the leisure segment, which is the opposite of New Jersey, where business represented the largest (23.3%) increase.

- Overnight Direct Spending grew at a double digit rate for New Jersey (22.4%), while the Nation grew 7.6%. Day trip Direct Spending increased a modest 2% for New Jersey and 9.1% for the Nation.

- The increase in leisure Direct Spending for the U.S. can be attributed to both day and overnight spending. In contrast, overnight leisure Direct Spending grew by 20.3% in New Jersey, while day trip leisure Direct Spending remained virtually flat in FY2005p.



New Jersey Traveler Direct Spending Intelligence



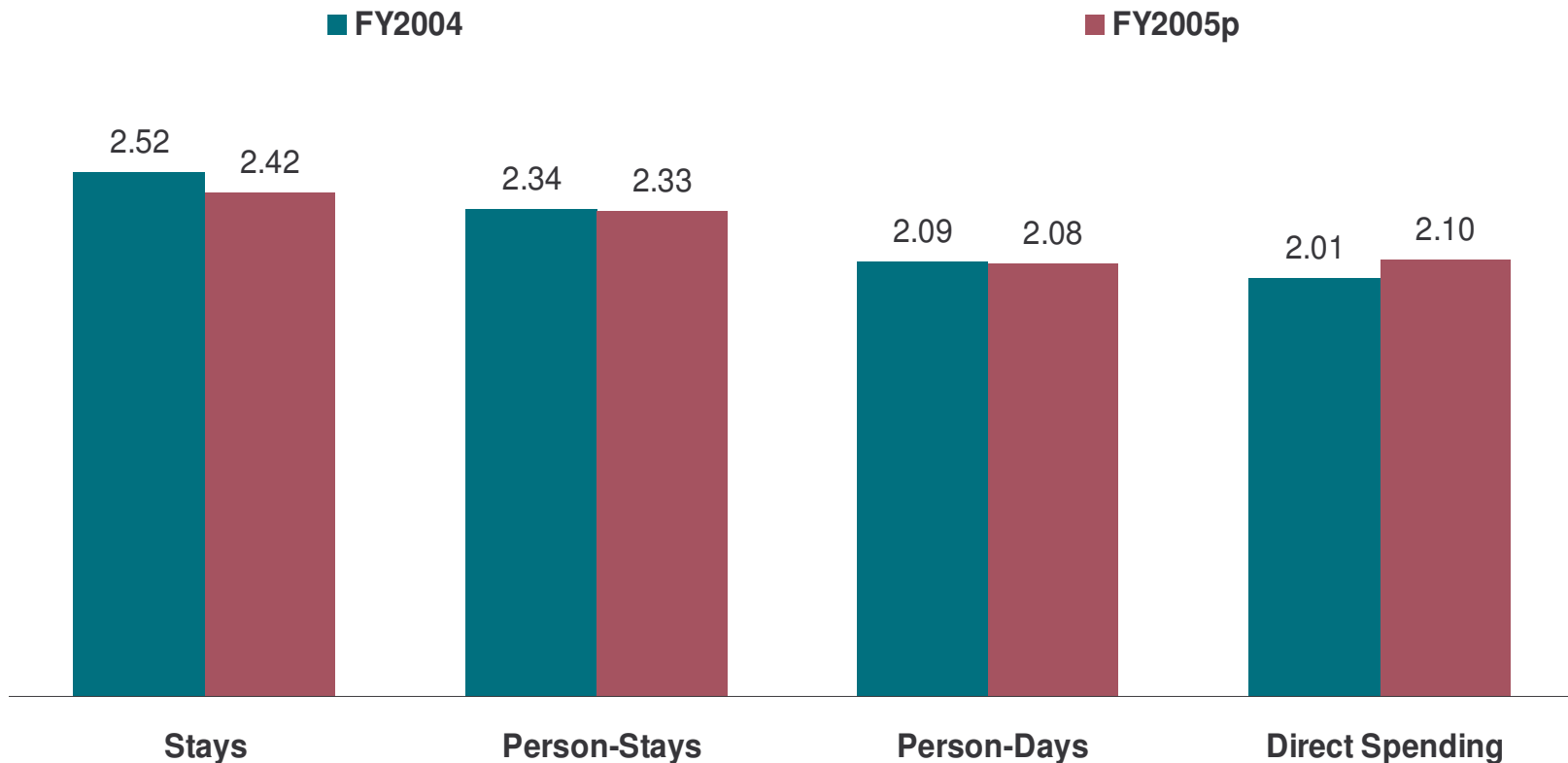
- New Jersey traveler spending increased 17.4% in FY2005p to a record \$15.7 billion, continuing a six year growth trend.
 - Leisure spending increased 15.6% in FY2005p to a six year high of \$11.9 billion. Business spending increased at an even greater rate (23.3%) to a record \$3.8 billion. Thus, the FY2005p record in total spending is a result of increases in both the leisure and business segments. Although business spending grew at a greater rate than did leisure spending in FY2005p, the rate of growth of leisure spending in New Jersey has recovered to FY2003 levels.
 - Overnight spending increased 22.4% in FY2005p to a record \$12.4 billion, while day trip spending increased a modest 2% to \$3.3 billion. Thus, although both segments contributed to the total spending increase, an overwhelming majority of the growth can be attributed to the record increase in overnight spending.
 - Overnight Leisure spending increased 20.3% in FY2005p to a record \$9.5 billion.

New Jersey Share of U.S. Travel (FY2004 vs. FY2005p/% of Overnight Leisure)



The New Jersey share of U.S. overnight leisure Travel Parties (Stays) has decreased between FY2004 and FY2005p, while Direct Spending has increased during the time period. Person-Stays and Person-Days have remained flat.

Note: that all future references to U.S. share of travel volume include travel within the U.S.

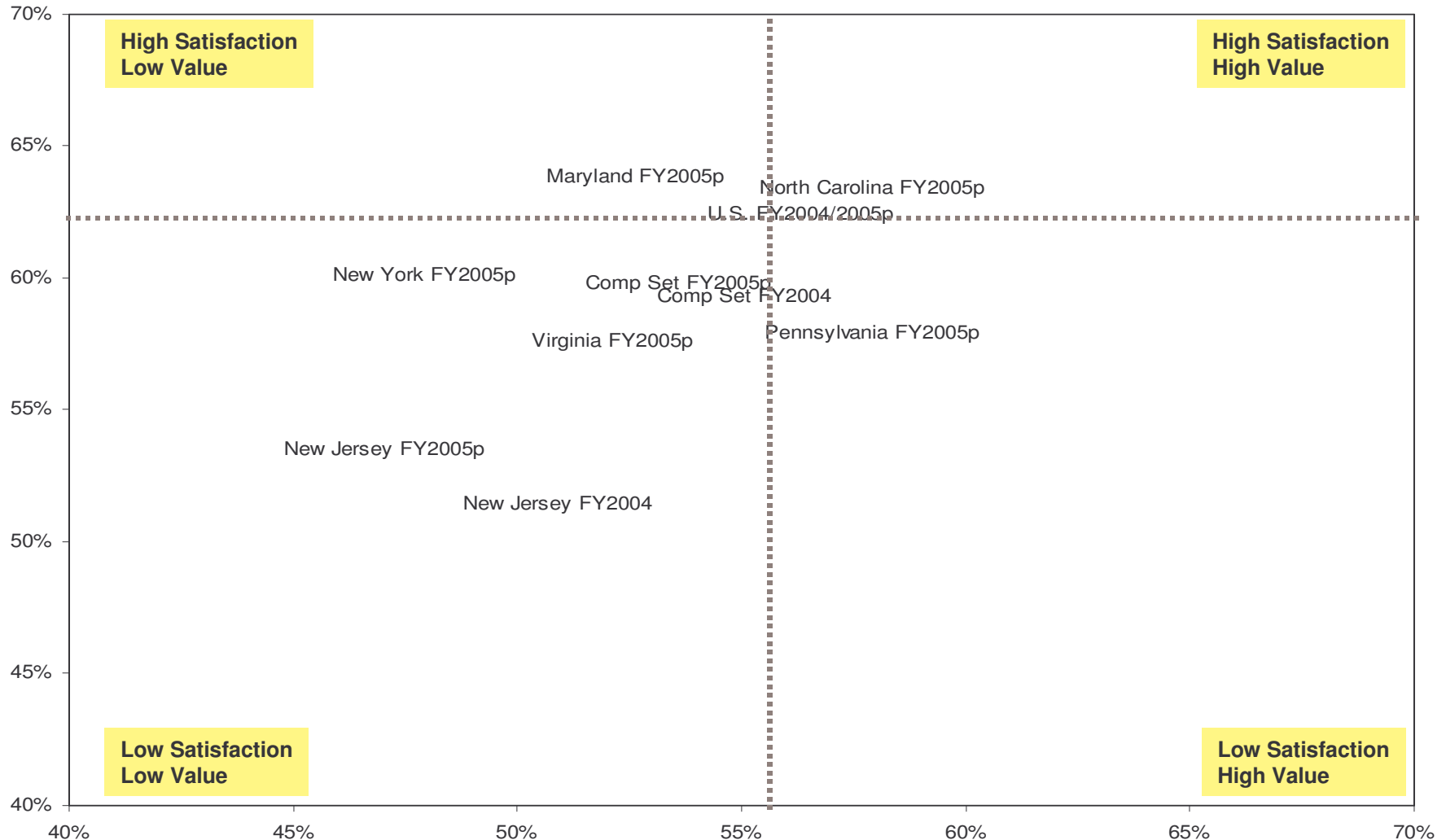


Destination Satisfaction and Value



- Travelers rate each city visited for overall satisfaction and overall value on a 10-point scale, where 1 is lowest or “poor” and 10 is highest or “excellent”.
- The following chart shows each destination’s satisfaction and value ratings. The chart plots the percentage of top three (net) ratings on ten-point satisfaction and value scales.
- The chart is separated into four quadrants representing the four combinations of satisfaction and value scores--high satisfaction-high value, high satisfaction-low value, low satisfaction-high value, and low satisfaction-low value.
- Over half the visitors to New Jersey rated it *excellent* on overall satisfaction. While New Jersey increased by 2 percentage points in overall satisfaction in FY2005p, the Competitive Set remained flat. Only one state showed an increase in satisfaction and one remained unchanged, the balance all showed decreases in *excellent* ratings in FY2005p.
- Fewer FY2005p visitors rated New Jersey as an *excellent* value for the money than did FY2004 visitors. This was true for the Competitive Set as well and all but one state within the Competitive Set.
- Compared to the the U.S. and to the Competitive Set, New Jersey receives lower satisfaction and value ratings than either the U.S. or the Competitive Set.

Destination Satisfaction vs. Value Ratings: New Jersey and Competitors (FY2004 vs. FY2005p/Overnight Leisure Person-Stays)







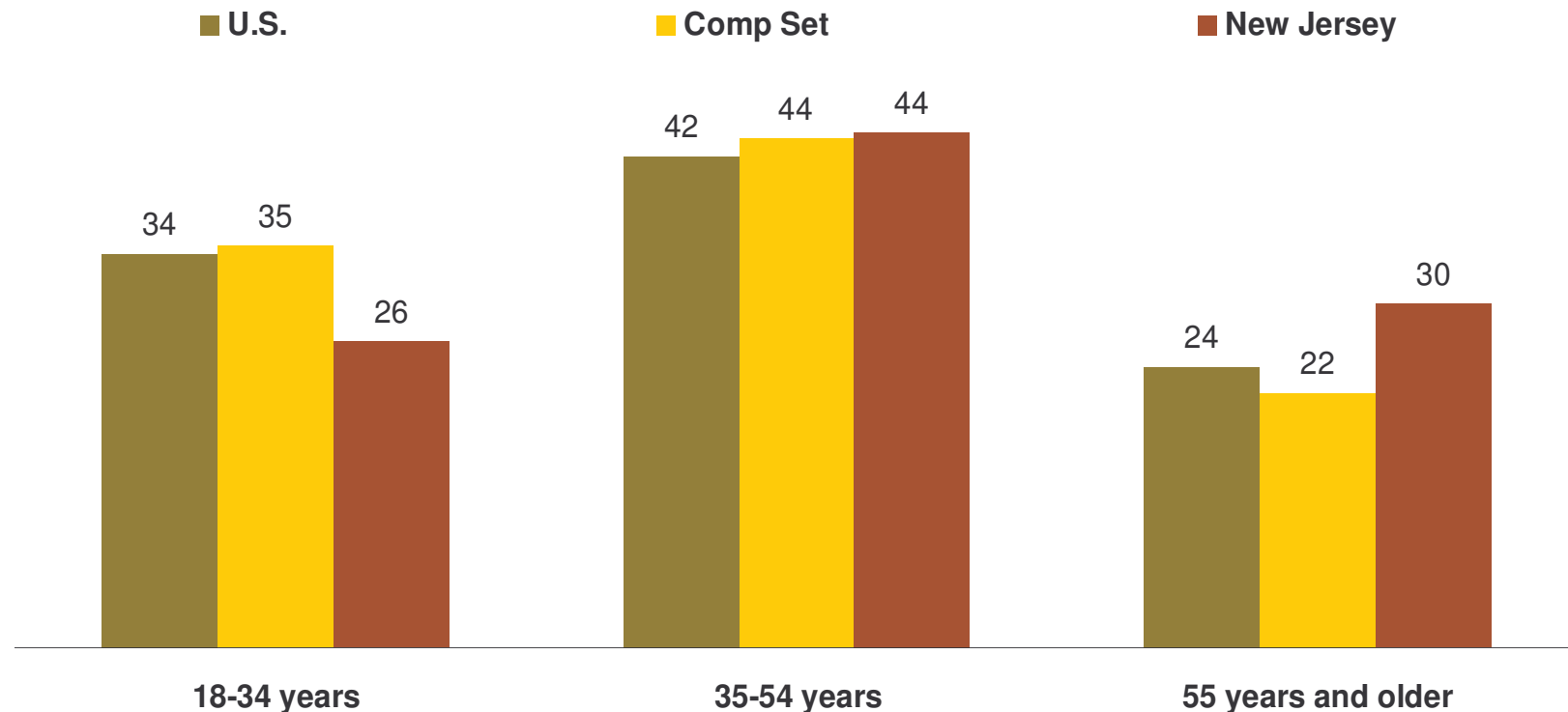
The following section provides various demographic analyses to help travel marketers and planners better target their communications. DKS&A will give the reader three ways to analyze traveler demographic profiles and the recommended use for marketing:

| CHARACTERISTICS | | RECOMMENDED USE |
|--|---|---|
| <i>Demographics:</i> basic age, income, employment, education, marital, and family status | → | For a basic description of travelers |
| <i>Lifestage:</i> a combination of a traveler's age, income, and family status | → | For media targeting |
| <i>Generation:</i> a group based on the traveler's year of birth | → | For content in public relations strategies and communications |

Age Distribution: U.S., Competitive Set, and New Jersey (FY2005p/% of Overnight Leisure Person-Stays)



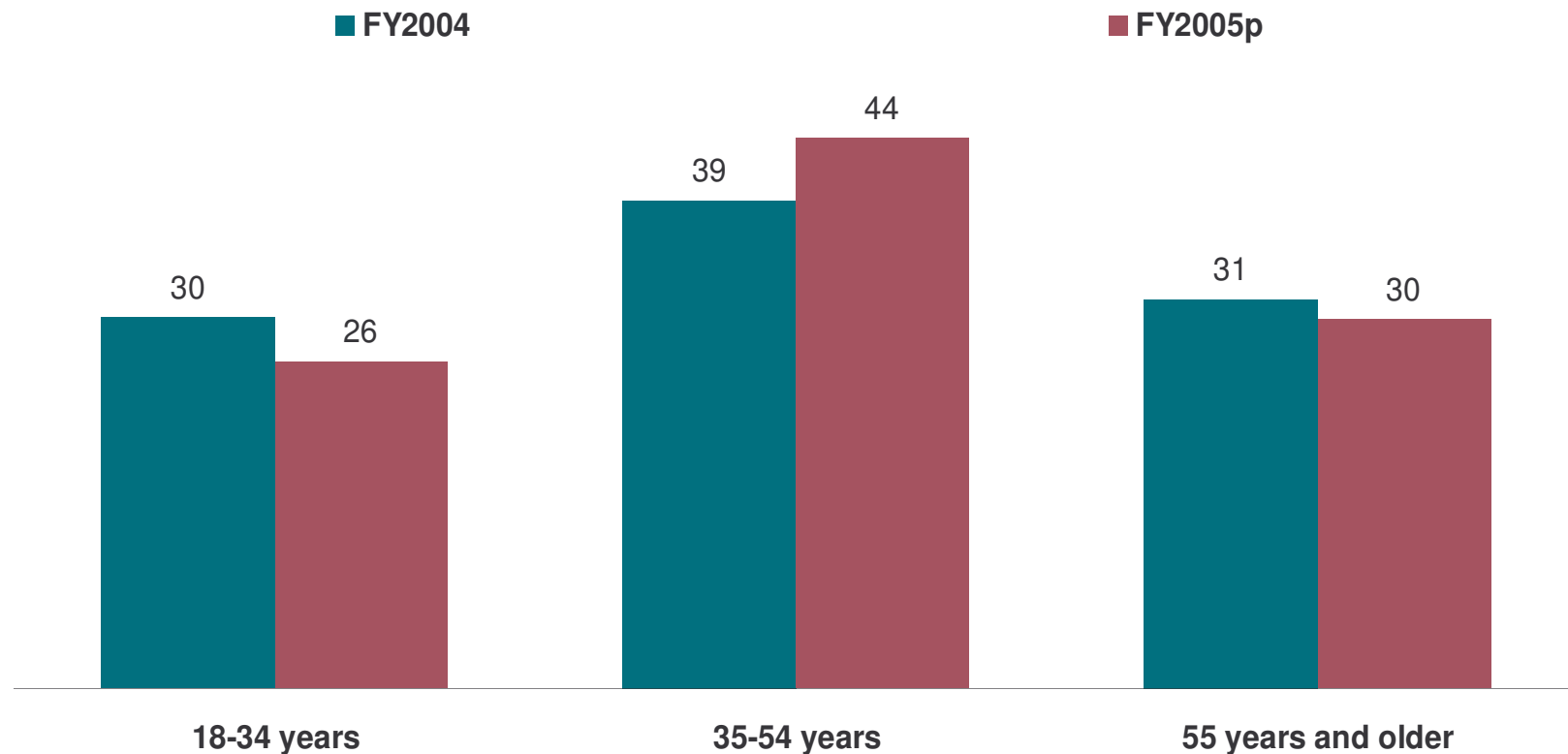
Most overnight leisure visitors to New Jersey in FY2005p were in the 35-54 age group. This is slightly higher than the U.S., but similar to the Competitive Set. New Jersey had fewer overnight leisure visitors in the 18-34 age group than did the U.S. and Competitive Set. Conversely, it had more 55+ overnight leisure visitors than did either the U.S. or the Competitive Set.



New Jersey Age Distribution (FY2004 vs. FY2005p/% of Overnight Leisure Person-Stays)



Between FY2004 and FY2005p, the age distribution of overnight leisure visitors to New Jersey moved upward with a decline in the number of 18-34 year olds and an increase in the 35-54 age group. The 55+ group remained virtually unchanged.

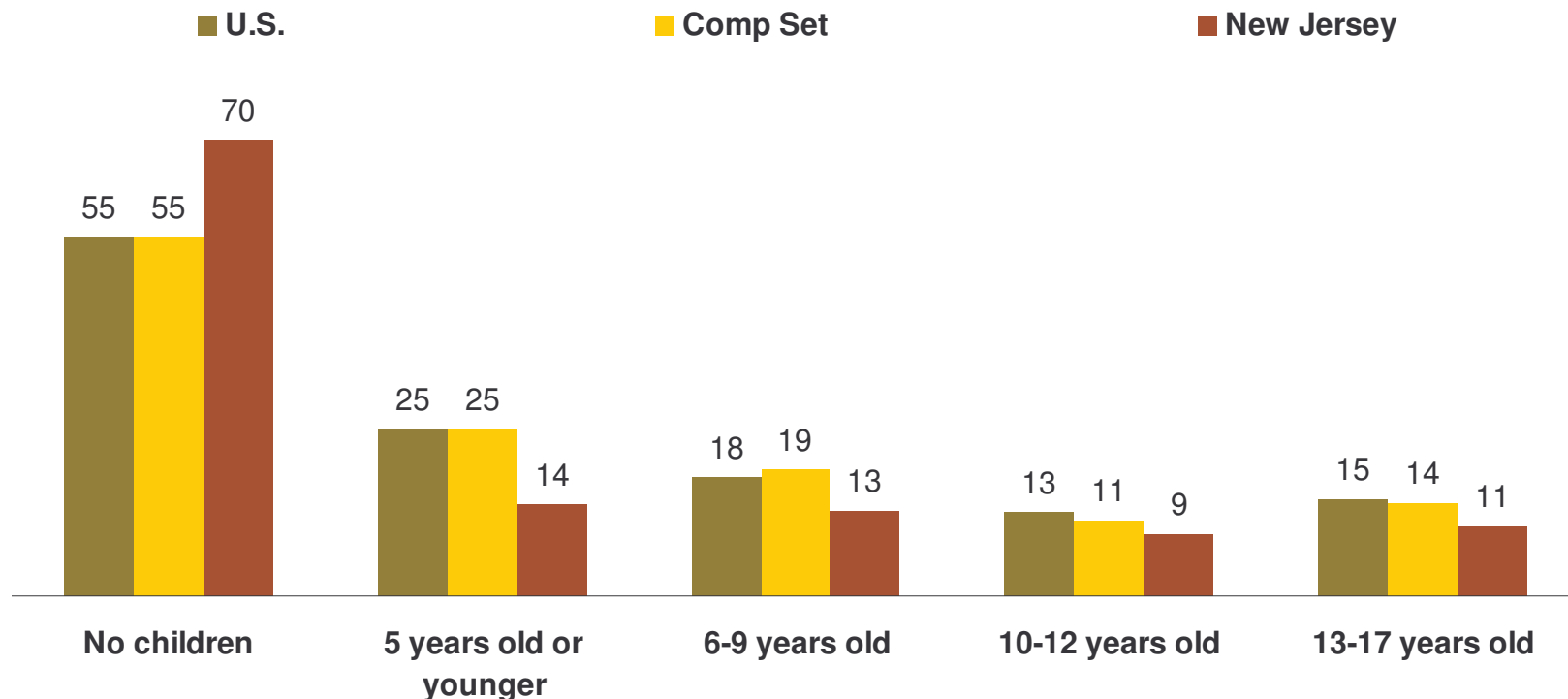


Distribution of Children in Household: U.S., Competitive Set, and New Jersey (FY2005p/% of Overnight Leisure Person-Stays)



Over two-thirds of the overnight leisure visitors to New Jersey have no children under the age of 18 in their household. This is 15 percentage points higher either the U.S. or the Competitive Set each with 55% of their overnight leisure visitors having no children in the household. The proportion of New Jersey overnight leisure visitors with children in all age ranges is less than either the U.S. or the Competitive Set, which are very similar.

Note: Sum exceeds 100% due to multiple-child households.

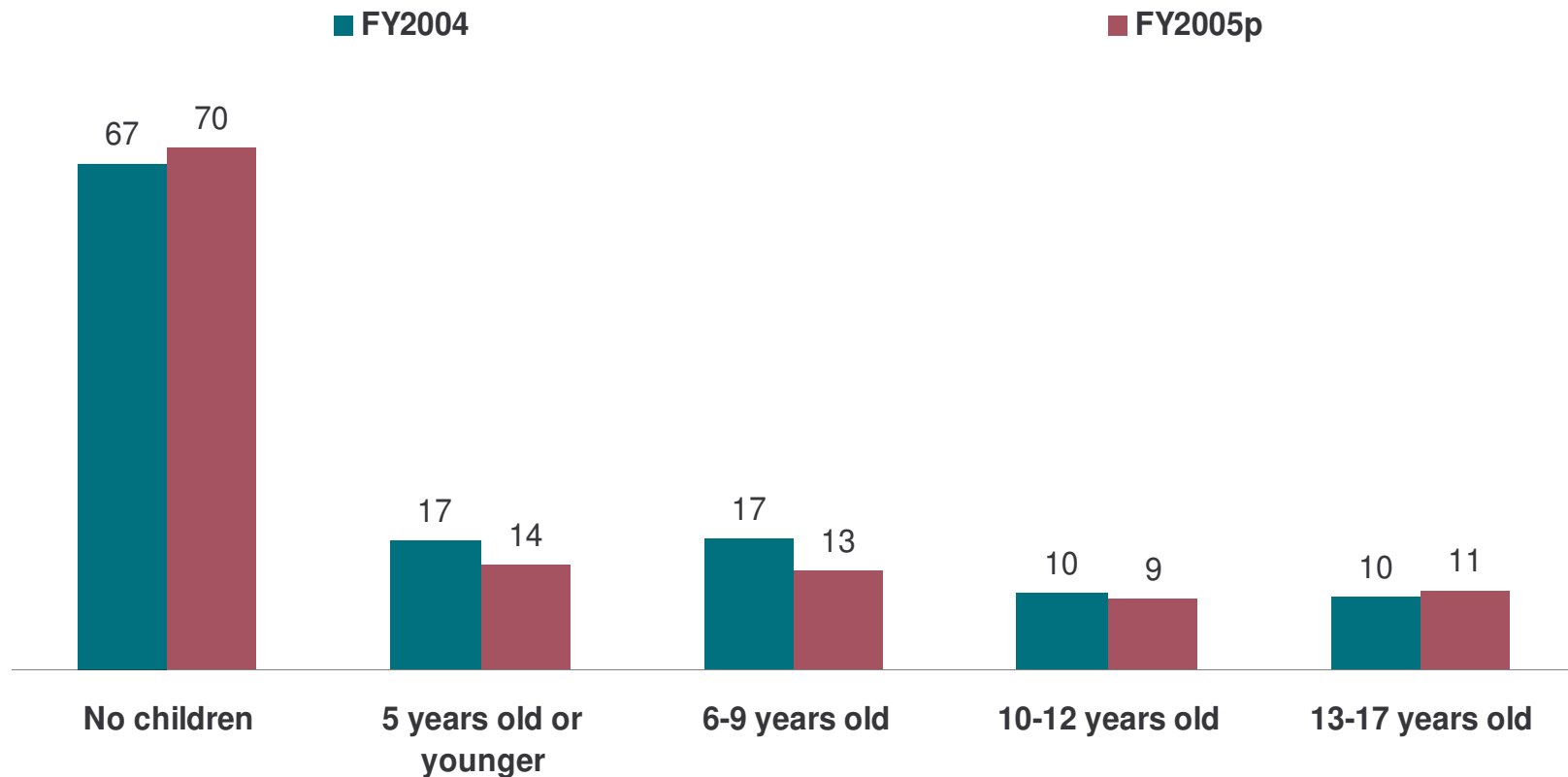


New Jersey Distribution of Children in Household (FY2004 vs. FY2005p/% of Overnight Leisure Person-Stays)



The proportion of New Jersey overnight leisure visitors with no children has increased between FY2004 and FY2005p. Conversely, the share of overnight leisure visitors with children 9 and under has decreased during the time period. The proportion with older (10+) children has remained fairly constant.

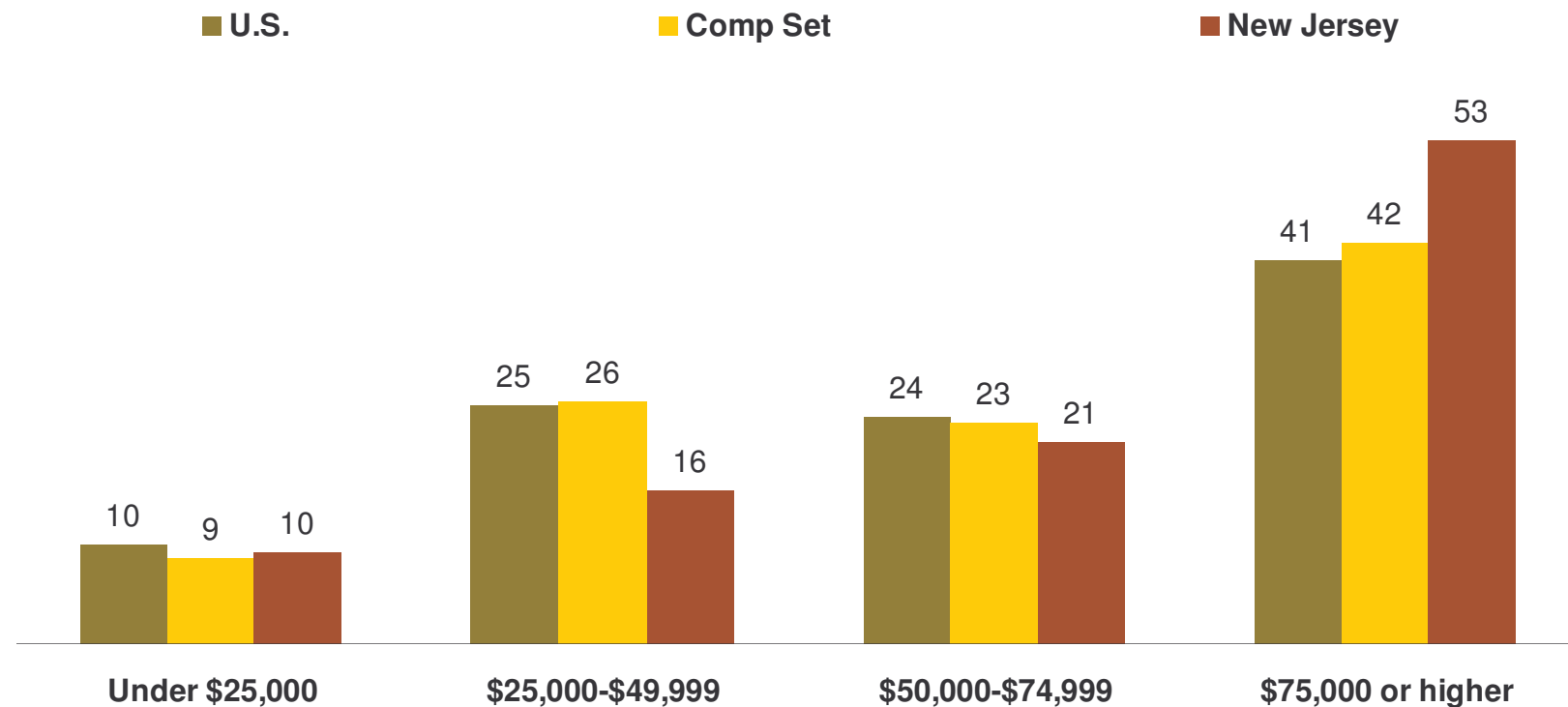
Note: Sum exceeds 100% due to multiple-child households.



Household Income Distribution: U.S., Competitive Set, and New Jersey (FY2005p/% of Overnight Leisure Person-Stays)

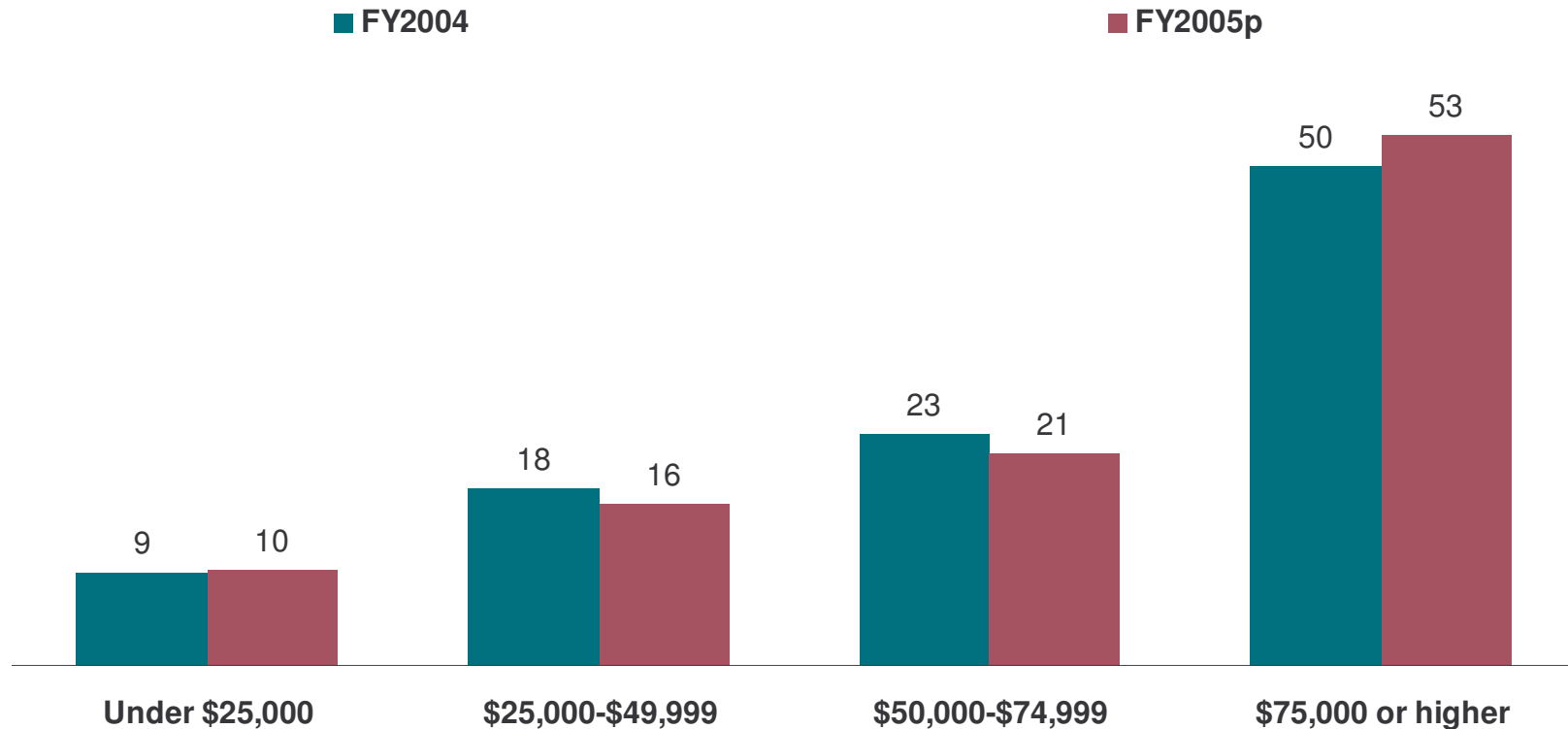


Overnight leisure visitors to New Jersey tend to be in the higher income brackets. Over half (53%) of the overnight leisure visitors to New Jersey earn \$75,000 or more and almost three-quarters earn \$50,000 or more. This is more than either the U.S. or the Competitive Set, each with 65% of their overnight leisure visitors in the \$50,000+ income bracket.



New Jersey Household Income Distribution (FY2004 vs. FY2005p/% of Overnight Leisure Person-Stays)

The proportion of New Jersey overnight leisure visitors earning \$75K+ increased between FY2004 and FY2005p. The proportion of overnight leisure visitors in the \$25-\$74K ranges dropped during the time period and overnight leisure visitors earning less that \$25K remained virtually flat.





DKS&A's lifestage analysis began in 2001 and continues in this report. Lifestage analysis combines three variables

- 1) age
- 2) household income, and
- 3) presence of children in the household

into one variable containing seven mutually-exclusive segments defined below. Because of the age component, the lifestage segments are "moving targets" from year to year.

Age: 18-34 Age of the household head.

- 1) Free No children under 18 in the household
- 2) Family One or more children under 18 in the household.

Age: 35-54 Age of the household head.

- 3) Free No children under 18 in the household
- 4) Lo Fmly Annual household income under \$50K and one or more children under 18 in the household.
- 5) Hi Fmly Annual household income \$50K or higher and one or more children under 18 in the household.

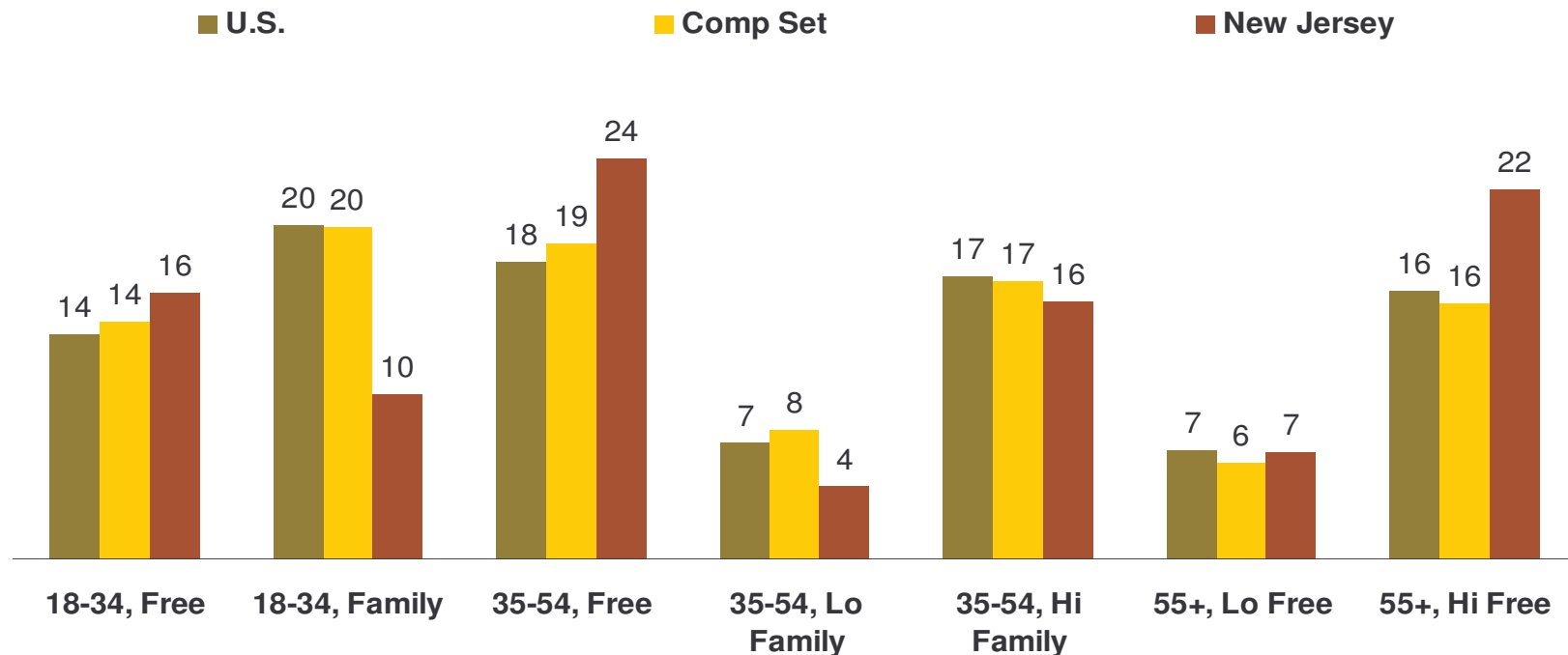
Age: 55+ Age of the household head.

- 6) Lo Free Annual household income under \$50K and no children under 18 in the household.
- 7) Hi Free Annual household income \$50K or higher and no children under 18 in the household.

Lifestage Distribution: U.S., Competitive Set, and New Jersey (FY2005p/% of Overnight Leisure Person-Stays)



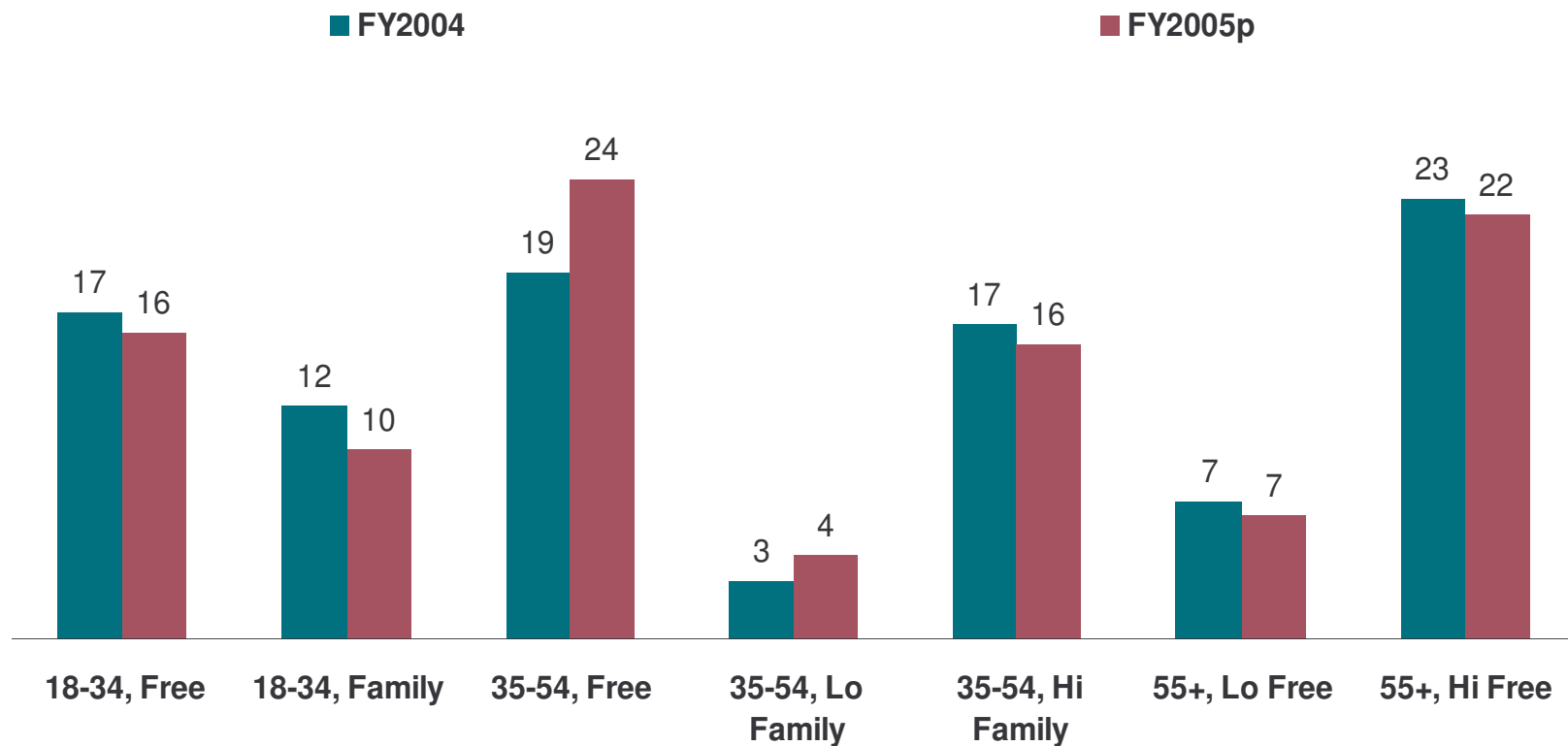
The greatest proportion of New Jersey overnight leisure visitors are in the 35-54, Free Lifestage, followed by the 55+ Hi Free Lifestage. The Lifestage least likely to visit New Jersey for overnight leisure travel is 35-54, Lo Family.



New Jersey Lifestage Distribution (FY2004 vs. FY2005p/% of Overnight Leisure Person-Stays)



The number of overnight leisure travelers in the 35-54, Free Lifestage has increased between FY2004 and FY2005p. Overnight leisure volume in all other Lifestages has decreased during the time period, except for the 35-54, Lo Family Lifestage, which has remained fairly constant.



Traveler Generation Analysis

With an increasing interest in generational behavior, DKS&A has added a Traveler Generation Analysis to help destinations understand the composition of their visitors in terms of the generations they represent. The analysis will supplement other demographic profiles (age and lifestage) by adding a means to target marketing messages to various generational segments.

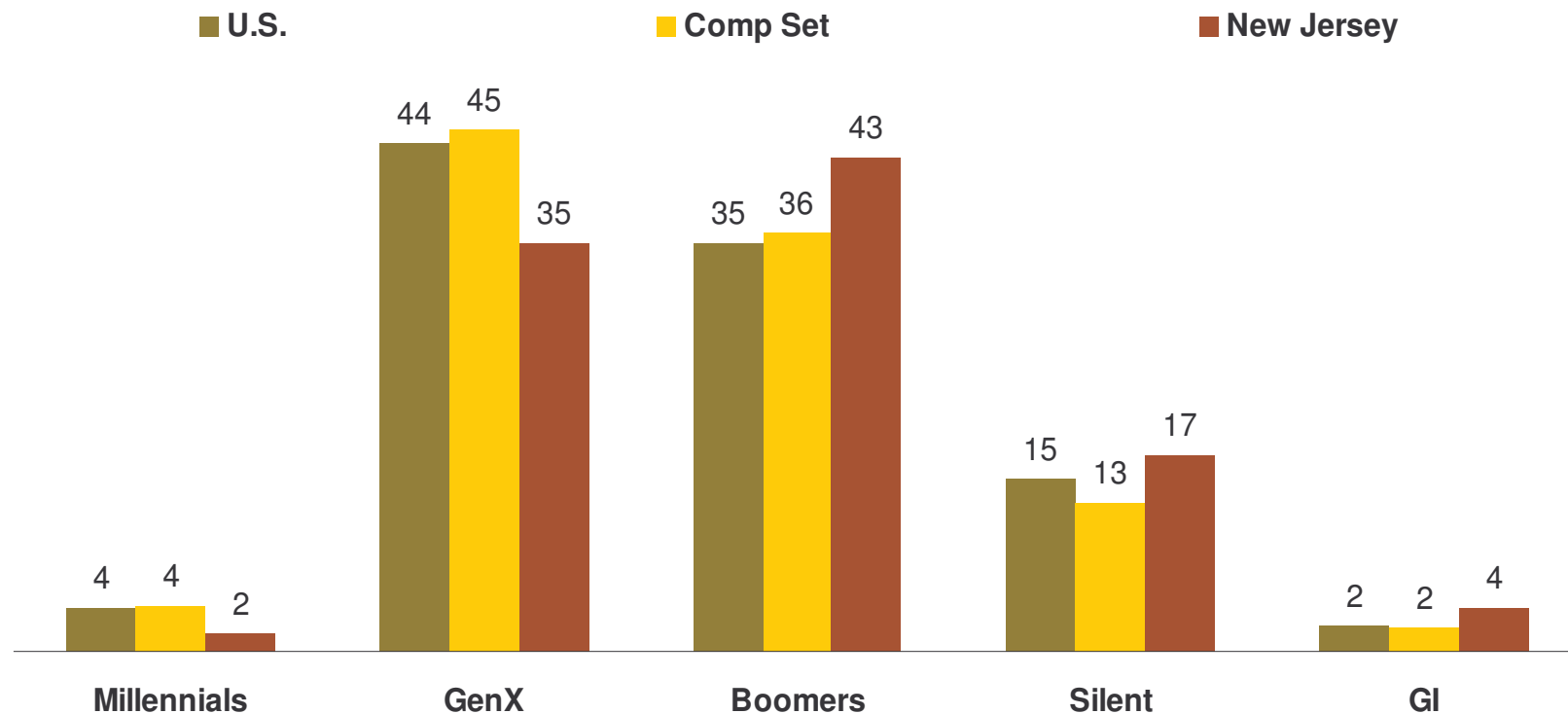
The following defines the generations by year of birth:

| | |
|------------|------------------|
| Millennial | After 1981 |
| Gen X | 1965-1980 |
| Boomers | 1946-1964 |
| Silent | 1930-1945 |
| GI | 1929 and earlier |

Traveler Generation Distribution: U.S., Competitive Set, and New Jersey (FY2005p/% of Overnight Leisure Person-Stays)



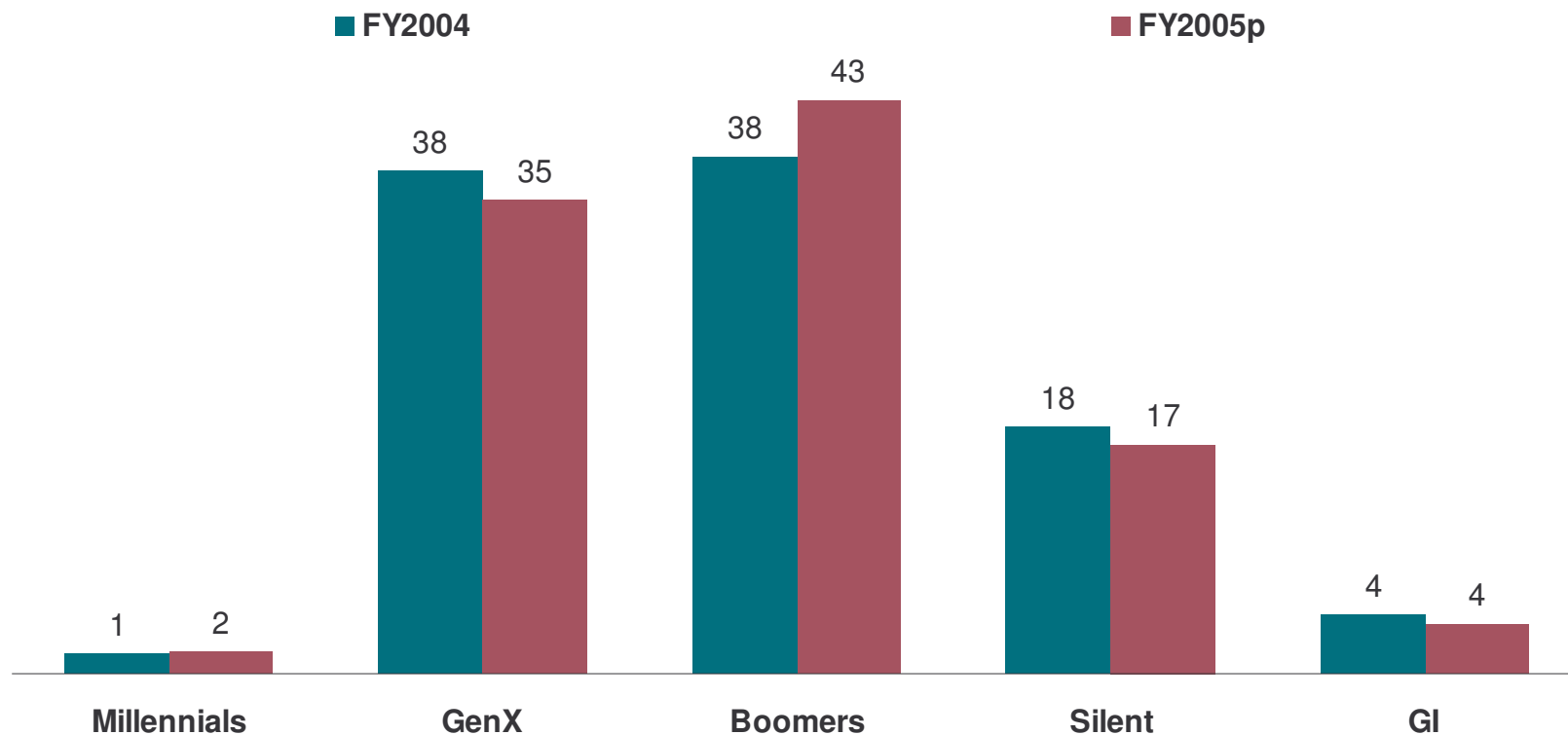
Boomers make up the largest proportion (43%) of New Jersey's overnight leisure travel. This is in contrast to the U.S. and the Competitive Set, where Gen X makes up the largest proportion (44% and 45%) of overnight leisure travel.



New Jersey Traveler Generation Distribution (FY2004 vs. FY2005p/% of Overnight Leisure Person-Stays)



The number of Boomers traveling to New Jersey for overnight leisure purposes increased between FY2004 and FY2005p while the number of Gen X overnight leisure visitors decreased. All other Generations remained virtually unchanged.



Targeting Intelligence Summary



- A typical overnight leisure visitor to New Jersey is middle-aged with no children and a high income.
 - The average age of overnight leisure visitors is 47 years of age. 30% of travelers are aged 55 years and older.
 - 70% of New Jersey overnight leisure travelers have no children in the household.
 - 74% earn \$50,000 or greater; 53% earn \$75,000 or more.
- The Lifestage analysis which is the result of combining age, income and children in the household produces mixed results. New Jersey overnight leisure travelers are more likely to be in any of the non-family Lifestages than are the U.S. or the Competitive Set. Conversely, travelers to the U.S. and Competitive Set are more likely to be in any of the family Lifestages than is New Jersey.
- New Jersey overnight leisure travelers tend to be in the Boomer generation as compared to the U.S. and Competitive Set travelers, which tend to be Gen X'ers. This represents a shift for New Jersey between FY2004 and FY2005p. In FY2004 overnight leisure travelers to New Jersey were equally likely to be Gen X'ers as Boomers.



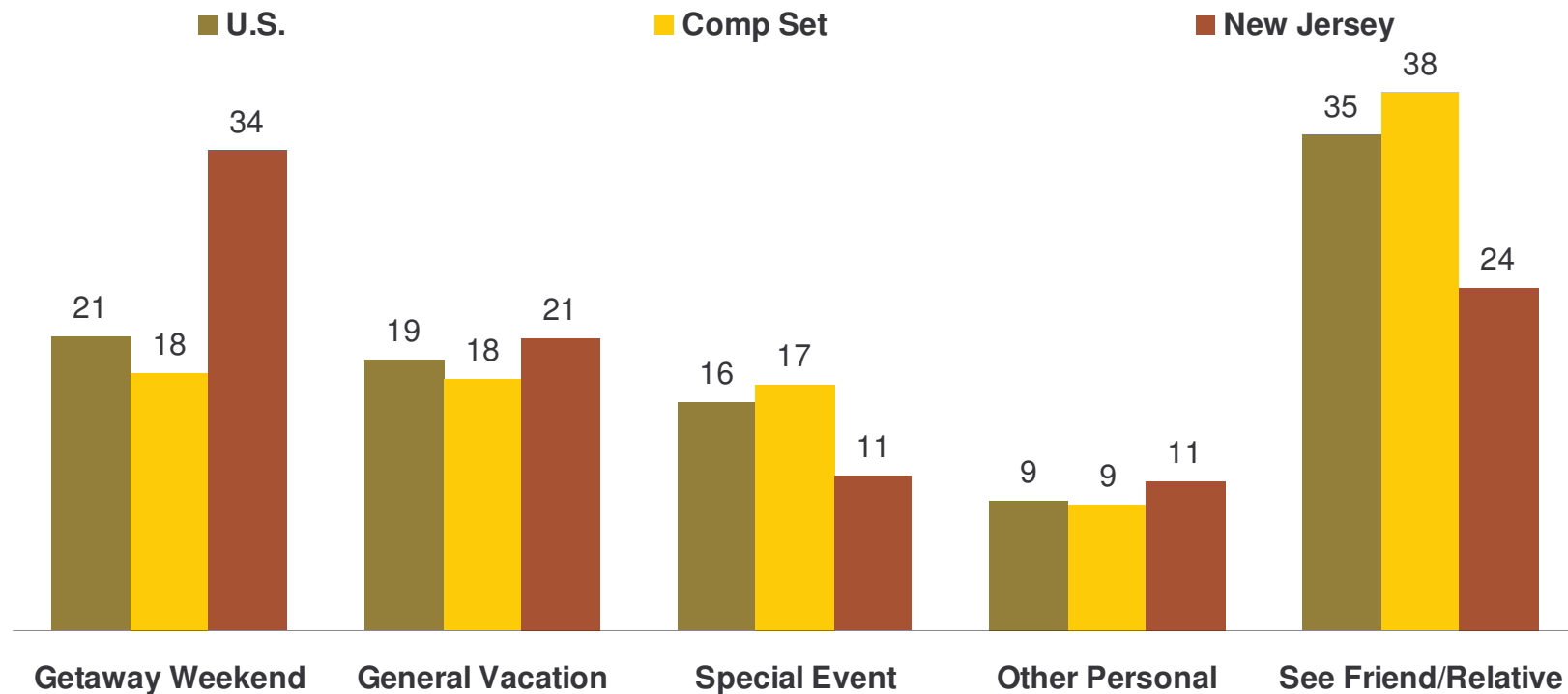


- The Positioning section will help a destination compare its tourism product attributes against the competition. These attributes include a traveler's purpose of visit, Travel Party composition, activities participated in at the destination, and repeat visitation. This intelligence highlights a destination's product strengths that can be promoted to attract new travelers or repeat visitors. It can also help destinations better differentiate themselves in a competitive travel market.
- The following bullet points will define some details that will be found in the *Positioning* section.
 - *Repeat visitation* represents the number of visits to the destination in the past three years, including the visit being reported.
 - *See Friend/Relative* is a visitor's purpose of stay and represents visiting friends and relatives.
 - Travel party composition
 - *Family* Travel Parties is defined as one or more adults accompanied by one or more persons under age 18. The child does not necessarily have to live in the household.
 - *MM/FF* Travel Parties include either two females or two males from different households traveling together
- Five attributes (purpose of stay, party composition, stay length, trip timing, and accommodation type) include an additional analysis in this section that compares the segment's share of the destination's total visitors compared to their spending contribution in the market. This analysis is illustrated by comparing the proportions of total travel using a Person-Stays weighting versus a Trip-Dollars weighting. Trip-Dollars weighting reflects the total Travel Party spending made by all party members at the destination.

Purpose of Stay Distribution: U.S., Competitive Set, and New Jersey (FY2005p/% of Overnight Leisure Person-Stays)



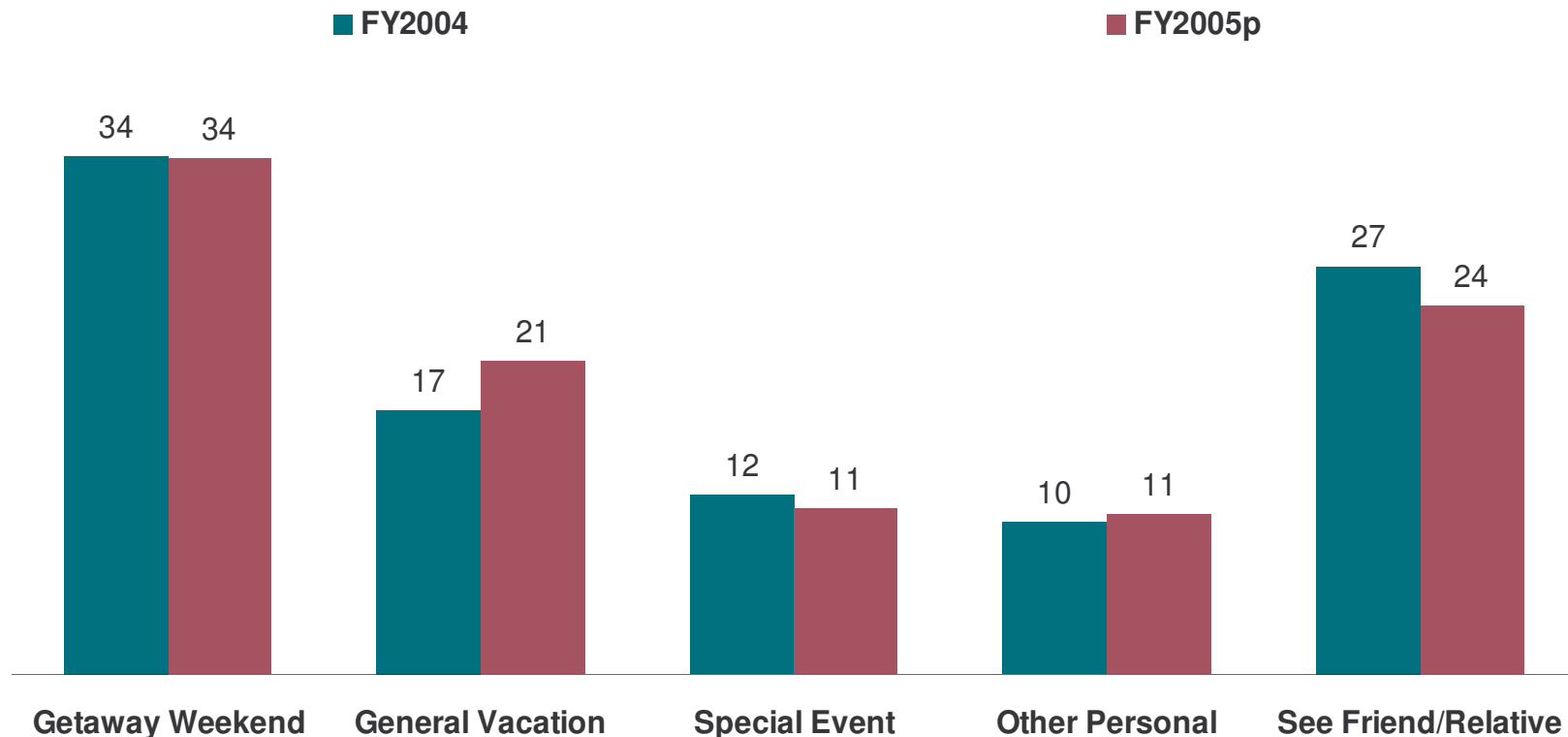
While seeing friends and relatives accounts for the largest share of U.S. and Competitive Set overnight leisure travel, the largest share of New Jersey overnight leisure travel is for Getaway Weekends.



New Jersey Purpose of Stay Distribution (FY2004 vs. FY2005p/% of Overnight Leisure Person-Stays)



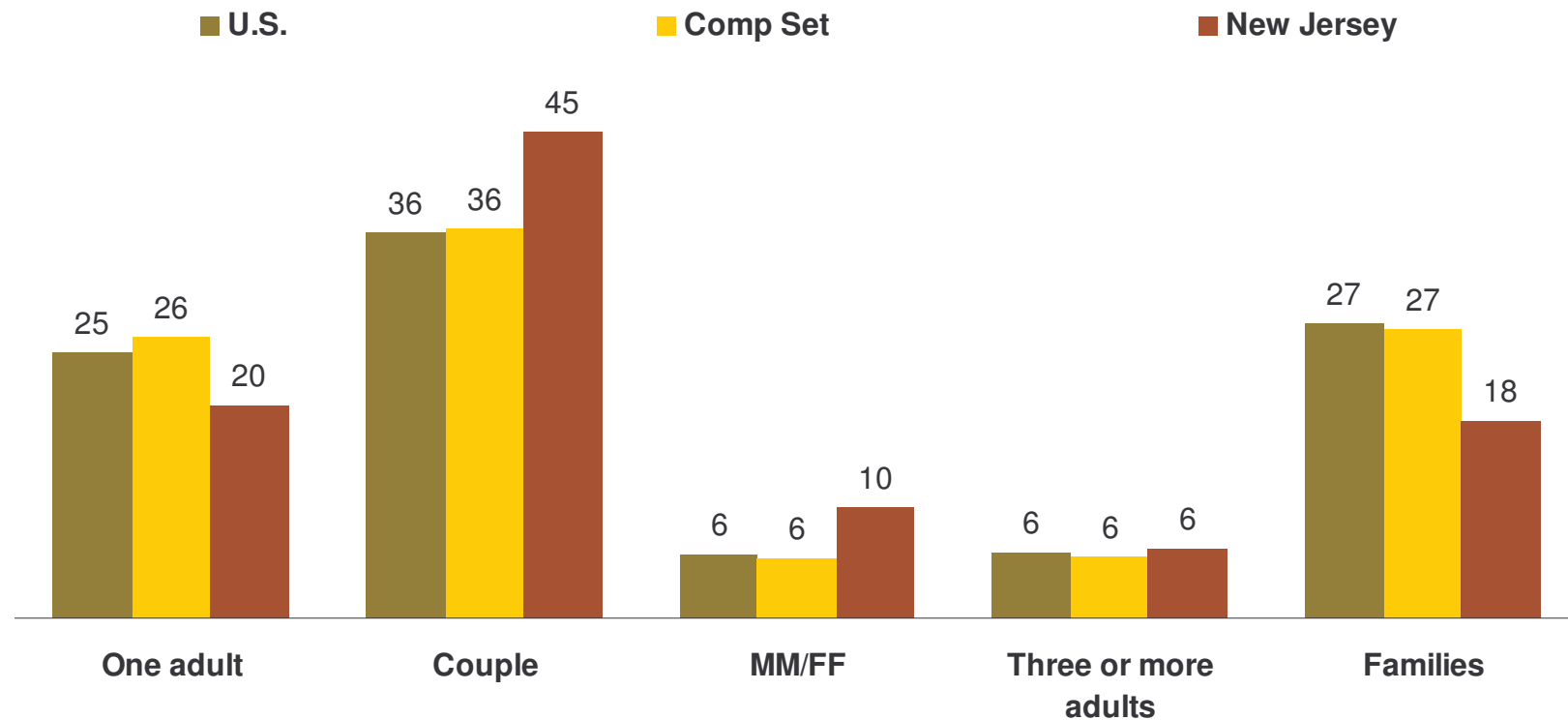
The share of New Jersey overnight leisure travelers visiting New Jersey for a general vacation has increased (3 points) by almost the same proportion as seeing friends and relatives has decreased (4 points). All other travel purposes have remained fairly flat between FY2004 and FY2005p.



Party Composition Distribution: U.S., Competitive Set, and New Jersey (FY2005p/% of Overnight Leisure Travel Parties)



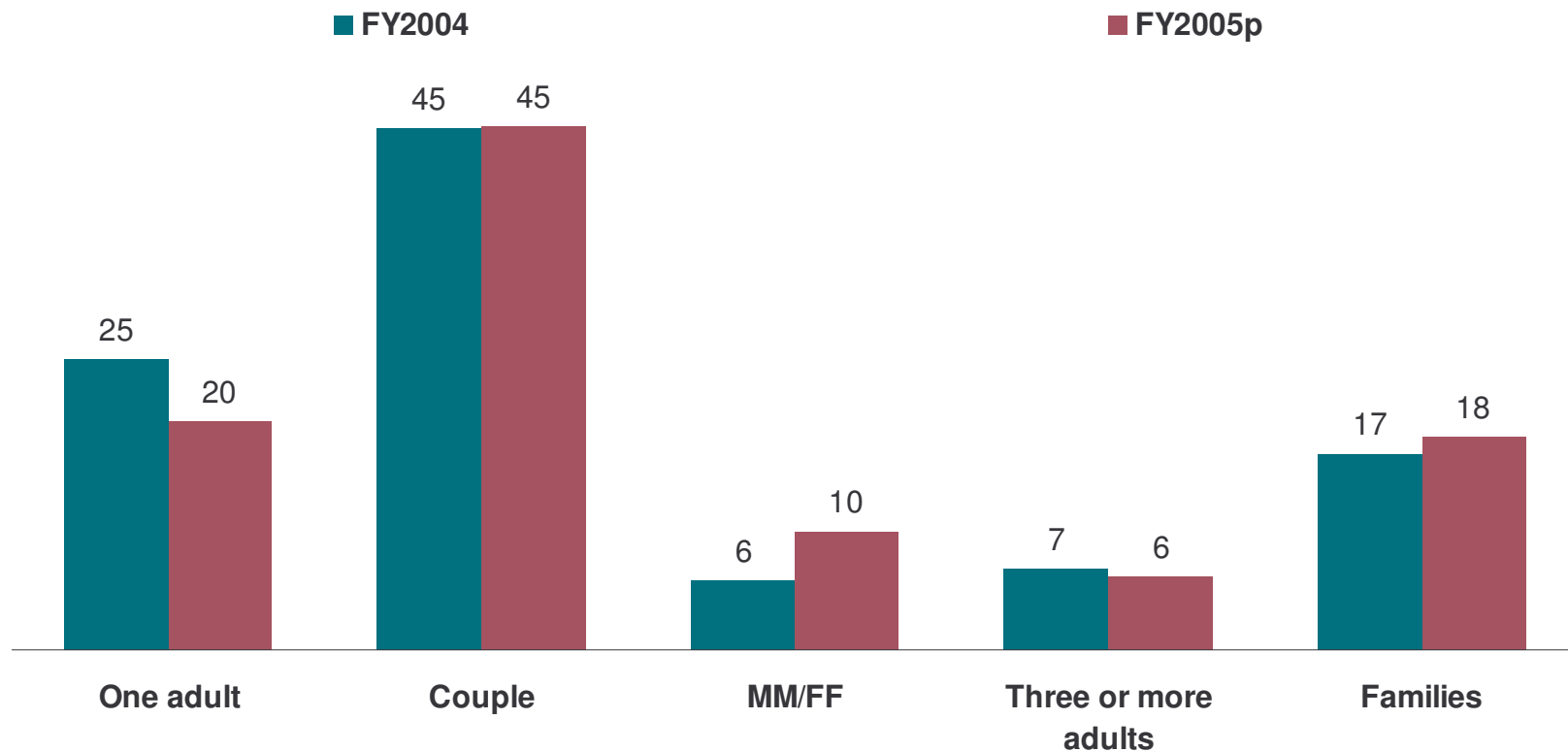
Although the largest share of overnight leisure travel for the U.S., New Jersey and the Competitive Set is couples, the share of couples traveling to New Jersey is 25% greater than either the U.S. or the Competitive Set. By the same token, the share of families visiting New Jersey for overnight leisure travel is 50% lower than either the U.S. or the Competitive Set.



New Jersey Party Composition Distribution (FY2004 vs. FY2005p/% of Overnight Leisure Travel Parties)



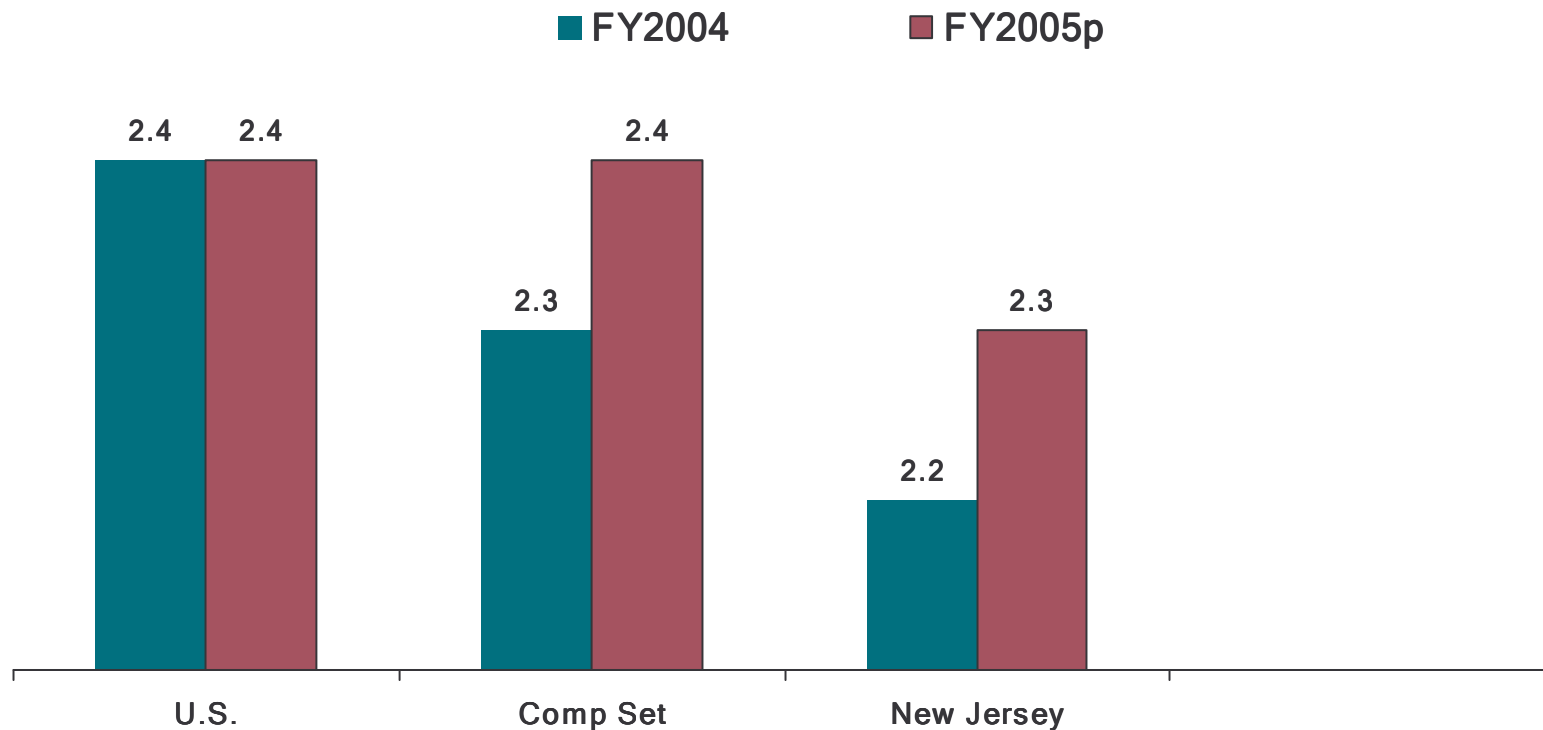
Between FY2004 and FY2005p, the share of adults traveling alone to New Jersey for overnight leisure travel has declined, while the proportion of same sex couples has increased by almost the same number of percentage points.



Average Party Size: U.S., Competitive Set and New Jersey (FY2004 vs. FY2005p/Overnight Leisure Travel Parties)



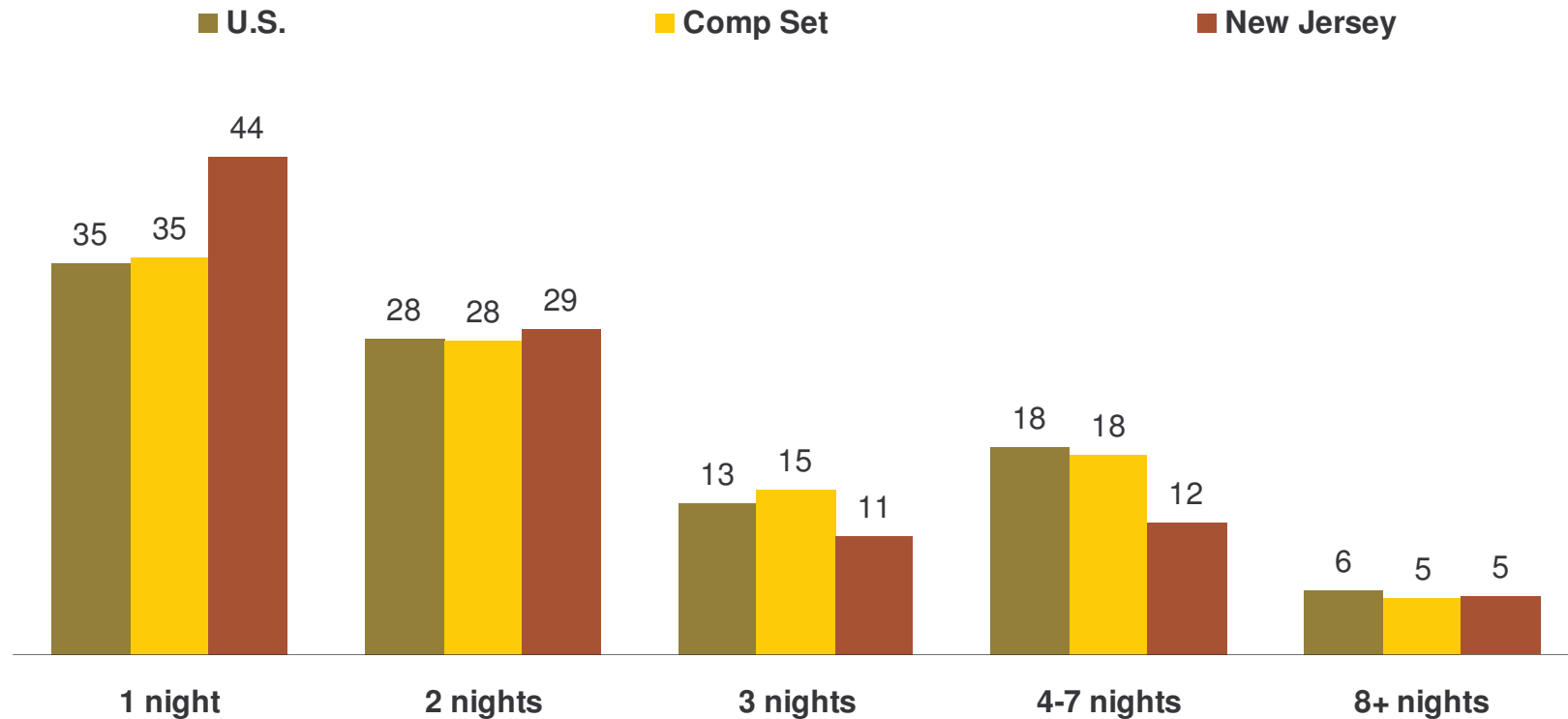
Average Party size among overnight leisure travelers rose slightly for both New Jersey and the Competitive Set in FY2005p. The average party size in New Jersey, however, remains lower than the U.S. or the Competitive Set.



Stay Length Distribution: U.S., Competitive Set, and New Jersey (FY2005p/% of Overnight Leisure Travel Parties)



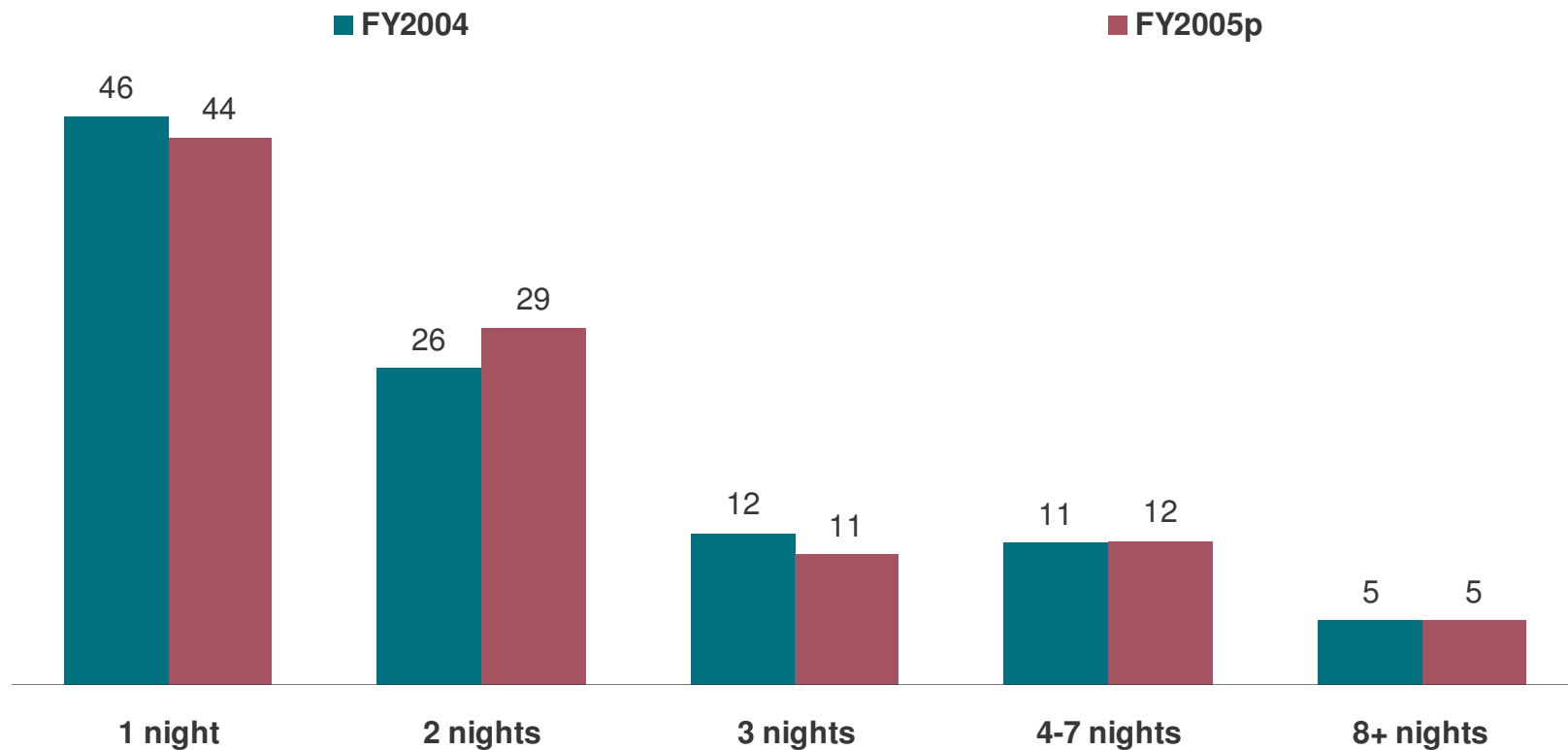
One night stays make up the largest proportion (44%) of overnight leisure Travel Party visits to New Jersey. This is higher than either the U.S. or the Competitive Set. Almost three-fourths (73%) of all New Jersey Travel Parties stay for two nights or less.



New Jersey Stay Length Distribution (FY2004 vs. FY2005p/% of Overnight Leisure Travel Parties)



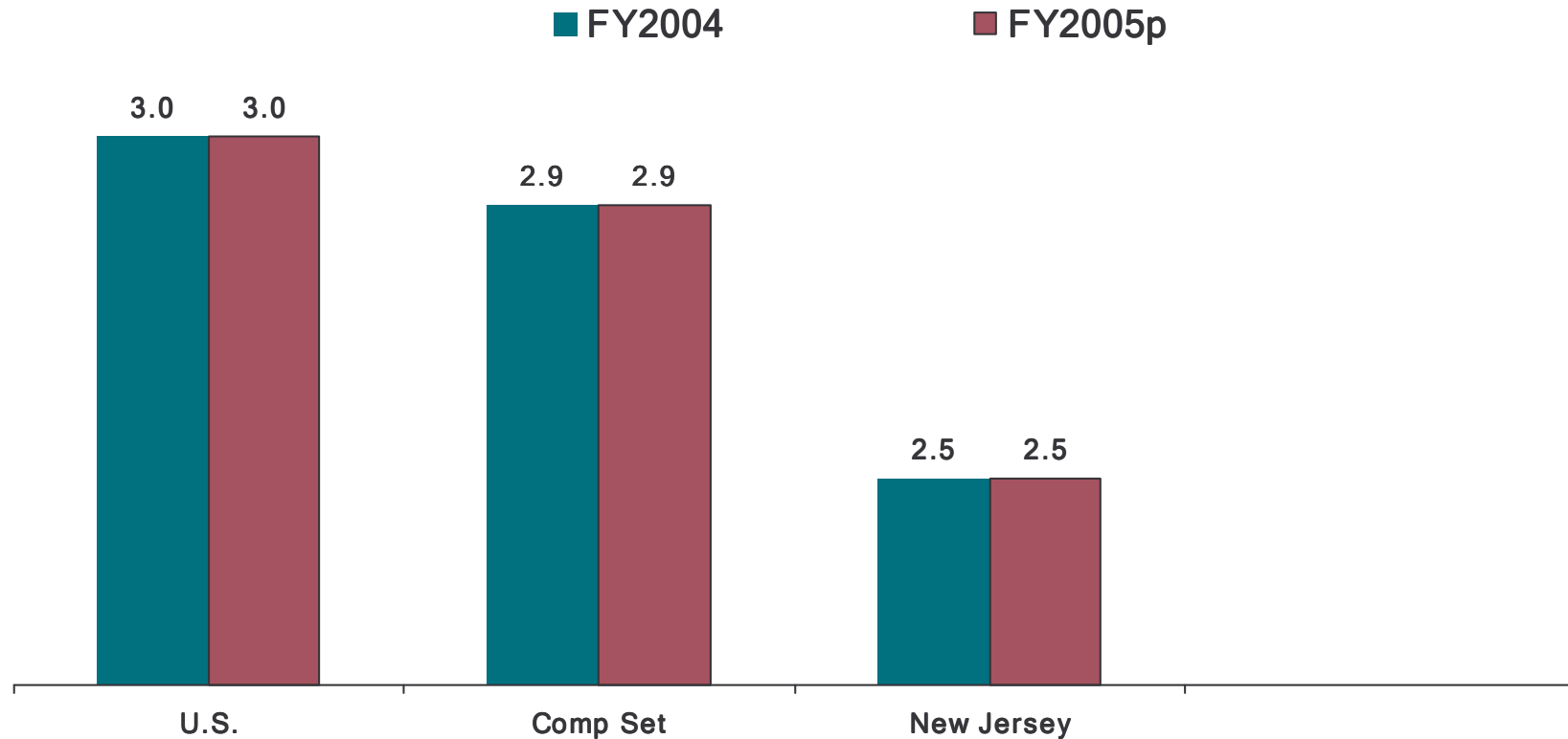
Between FY2004 and FY2005p the number of overnight leisure Travel Parties staying one night dropped slightly, while the number of overnight leisure Travel Parties staying two nights increased.



Average Stay Length: U.S., Competitive Set, and New Jersey (FY2004 vs. FY2005p Overnight Leisure/Person-Stays)



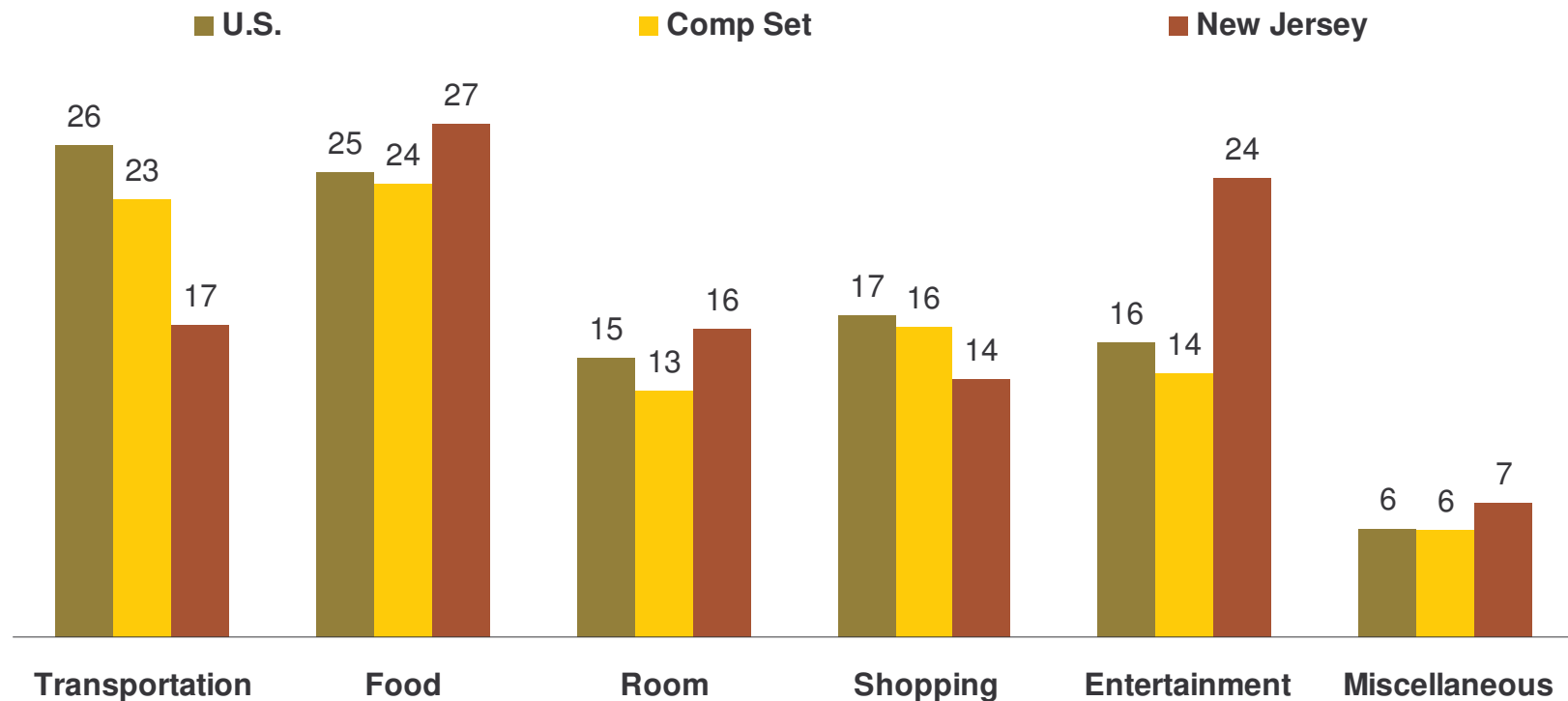
There was no change in average overnight leisure stay length between FY2004 and FY2005p for the U.S., the Competitive Set or New Jersey. The length of overnight leisure stays for New Jersey is less than either the U.S. or the the Competitive Set



New Jersey Average Daily Spending U.S., Competitive Set, and New Jersey (FY2005p/\$ Overnight Leisure Person-Days)



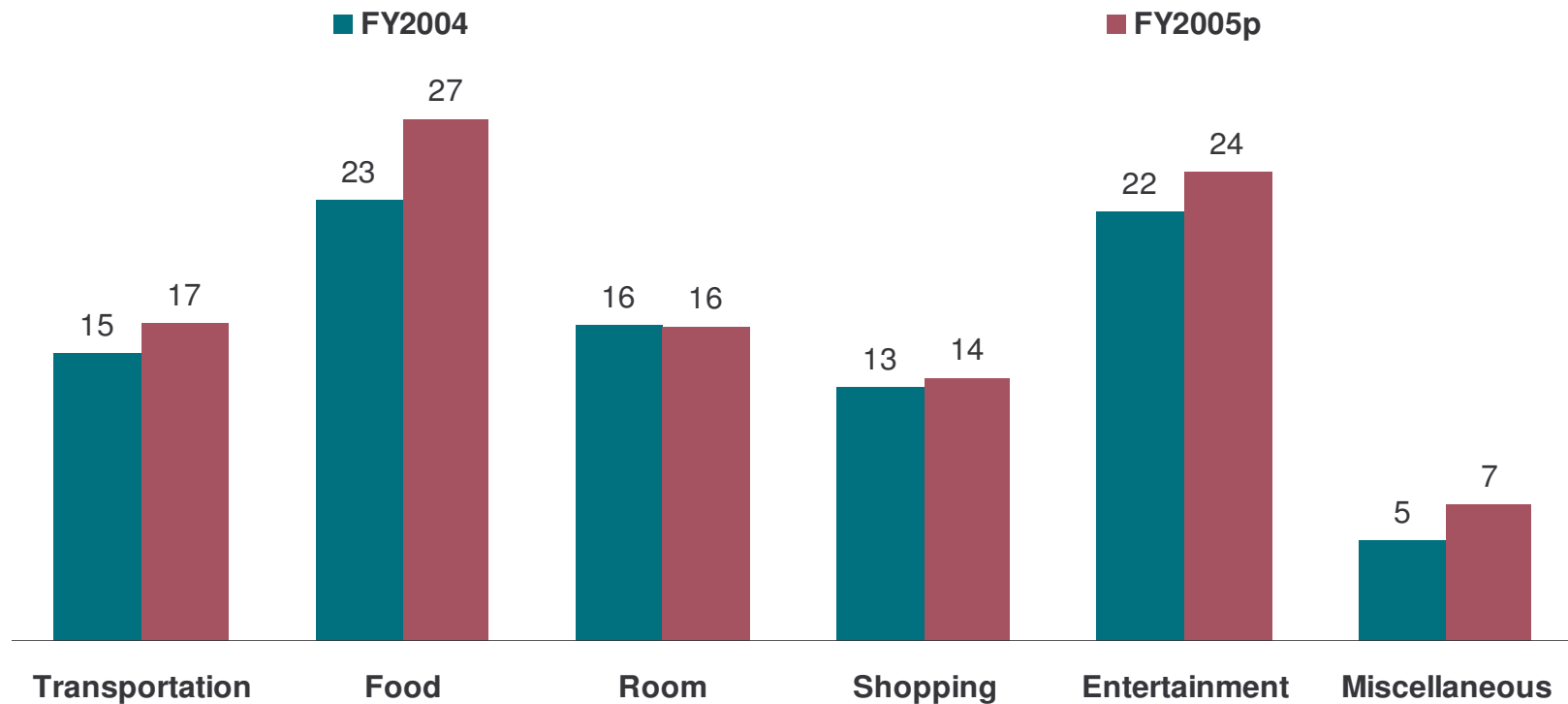
Average Daily Spending is greatest for food and entertainment among overnight leisure visitors to New Jersey. Overnight leisure travelers to New Jersey spend over 70% more on entertainment than do travelers to the Competitive Set. By comparison, Competitive Set travelers spend 35% more on transportation than do New Jersey visitors.



New Jersey Average Daily Spending (FY2004 vs. FY2005p/\$ Overnight Leisure Person-Days)



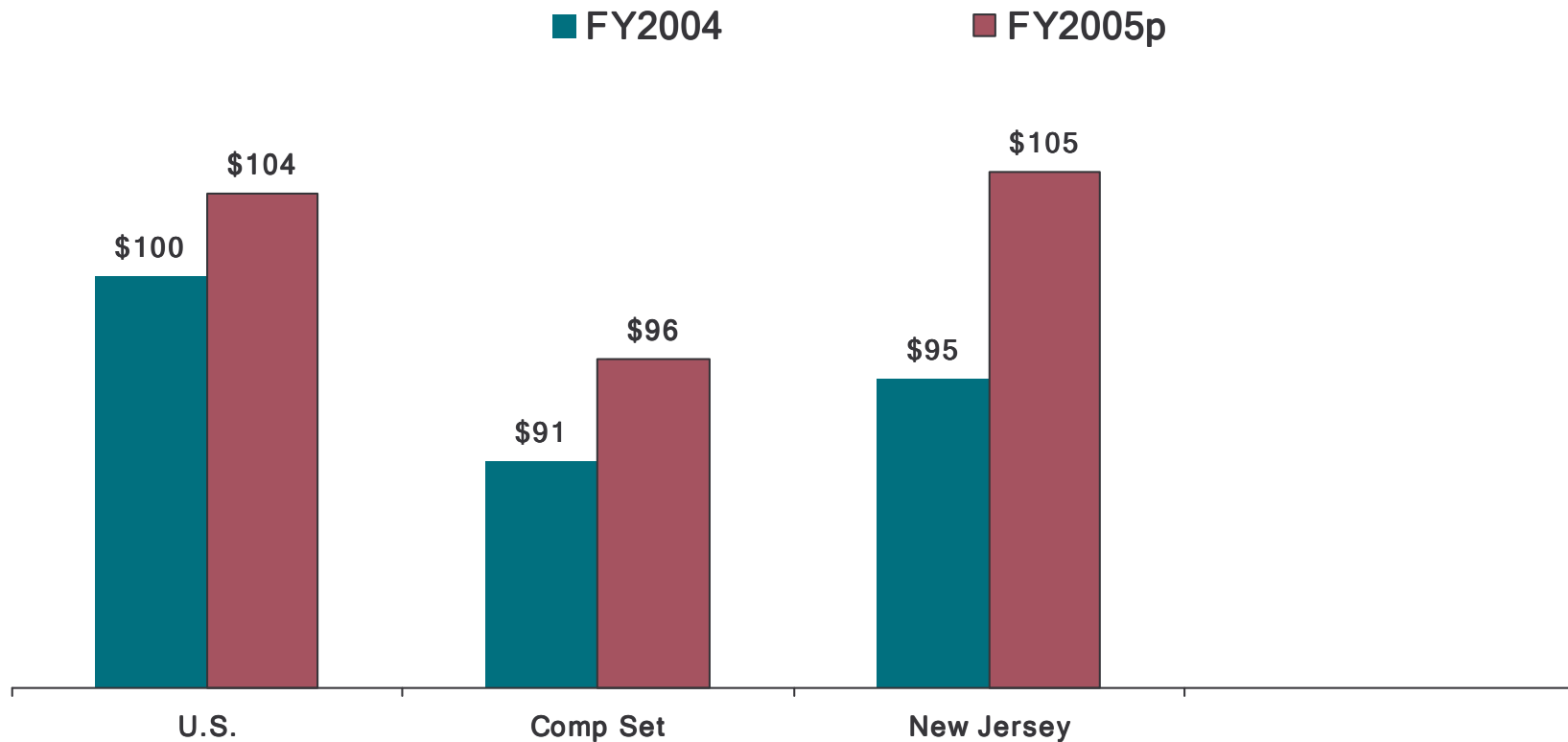
Between FY2004 and FY2005p, spending on food increased by \$4 per person per day and transportation and entertainment each increased by \$2 per person per day.



Total Average Daily Spending: U.S., Competitive Set, and New Jersey (FY2004 vs. FY2005p Overnight Leisure/Person-Days)



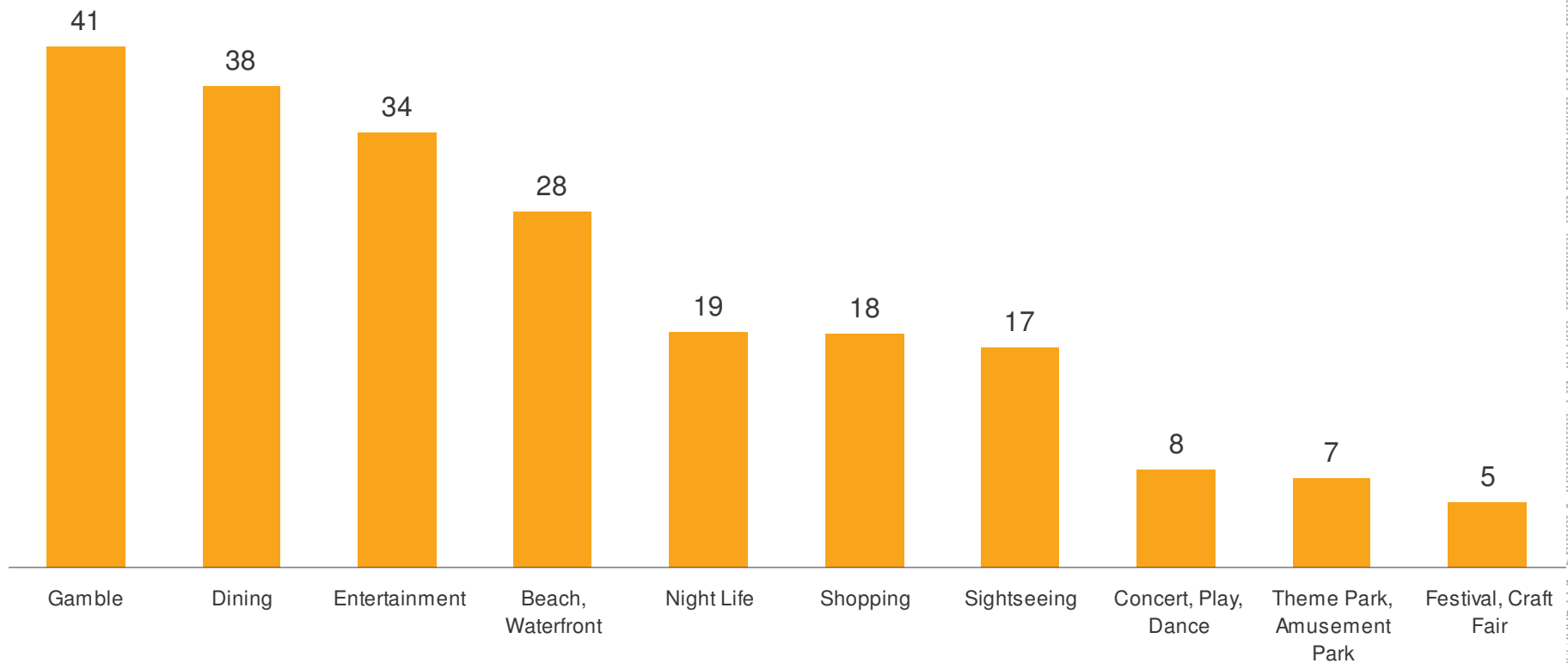
The total Average Daily Spending is relatively similar between overnight leisure visitors to New Jersey and the U.S, which is somewhat higher than the Competitive Set. Overnight leisure spending increased between FY2004 and FY2005p for the U.S., the Competitive set and New Jersey.



New Jersey Top Activity Participation (FY2005p/% of Overnight Leisure Person-Stays)



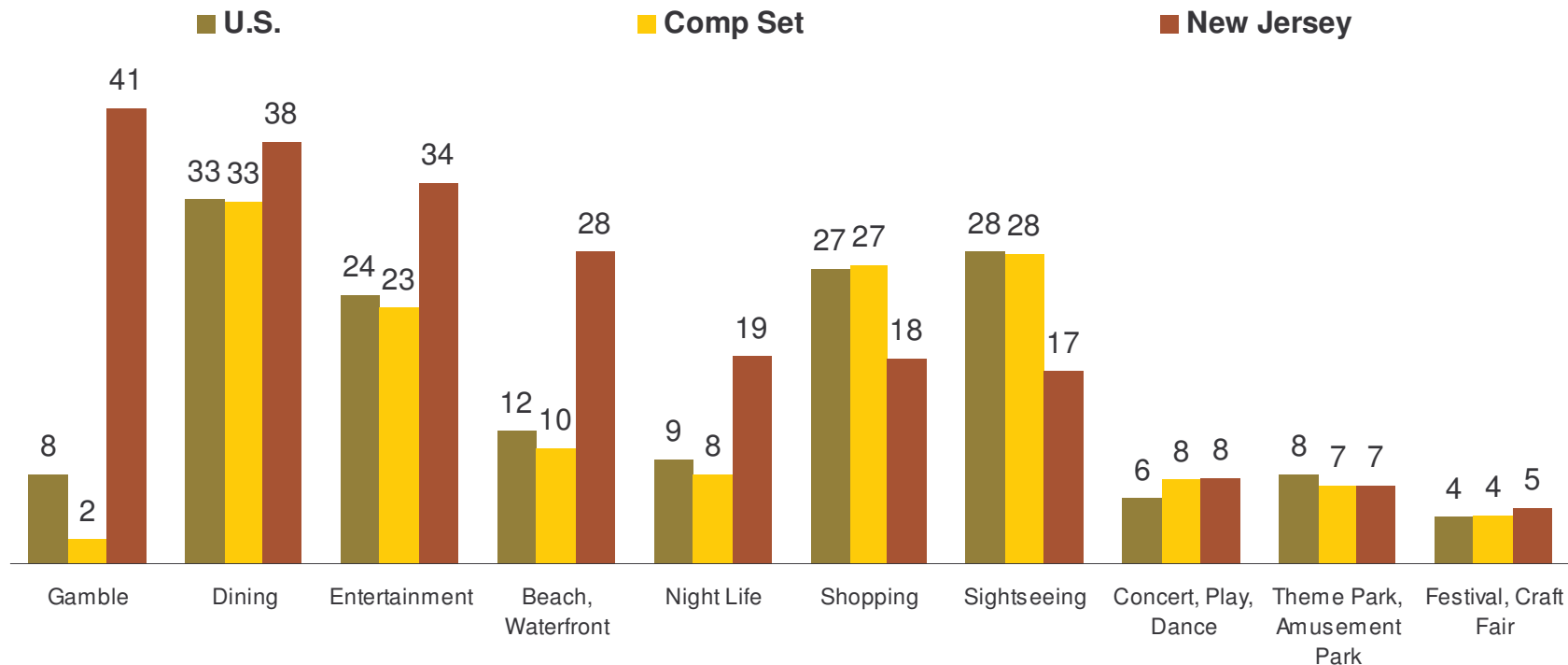
Gambling and the associated activities of dining and entertainment make up the largest proportion of activities of overnight leisure visitors to New Jersey. These are followed by beach and waterfront activities.



Top Activity Participation: U.S., Competitive Set, and New Jersey (FY2005p/% of Overnight Leisure Person-Stays)



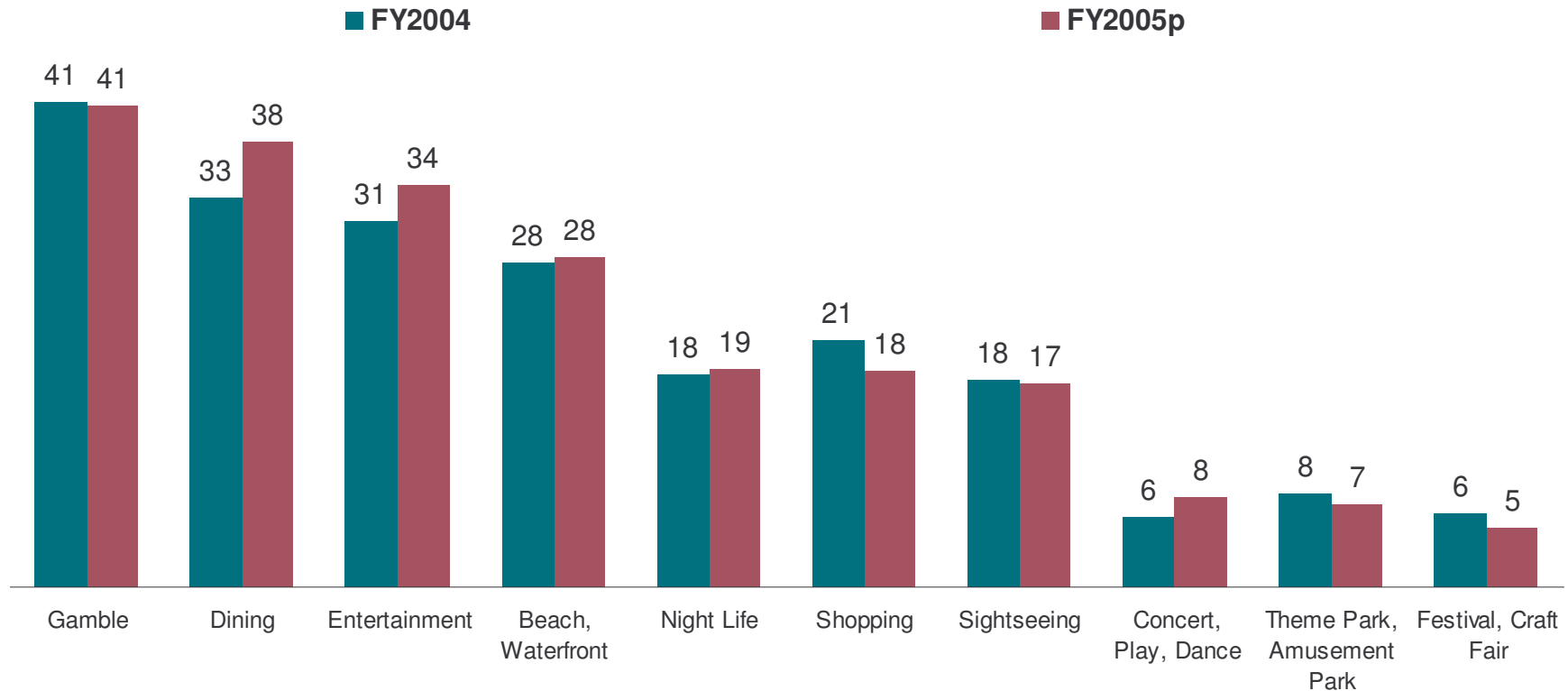
When compared to the competition New Jersey overnight leisure visitors are more likely to engage in gambling, dining, entertainment, beach/waterfront and nightlife activities. Visitors to the Competitive Set are more likely than New Jersey visitors to engage in shopping and sightseeing activities.



New Jersey Top Activity Participation (FY2004 vs. FY2005p/% of Overnight Leisure Person-Stays)



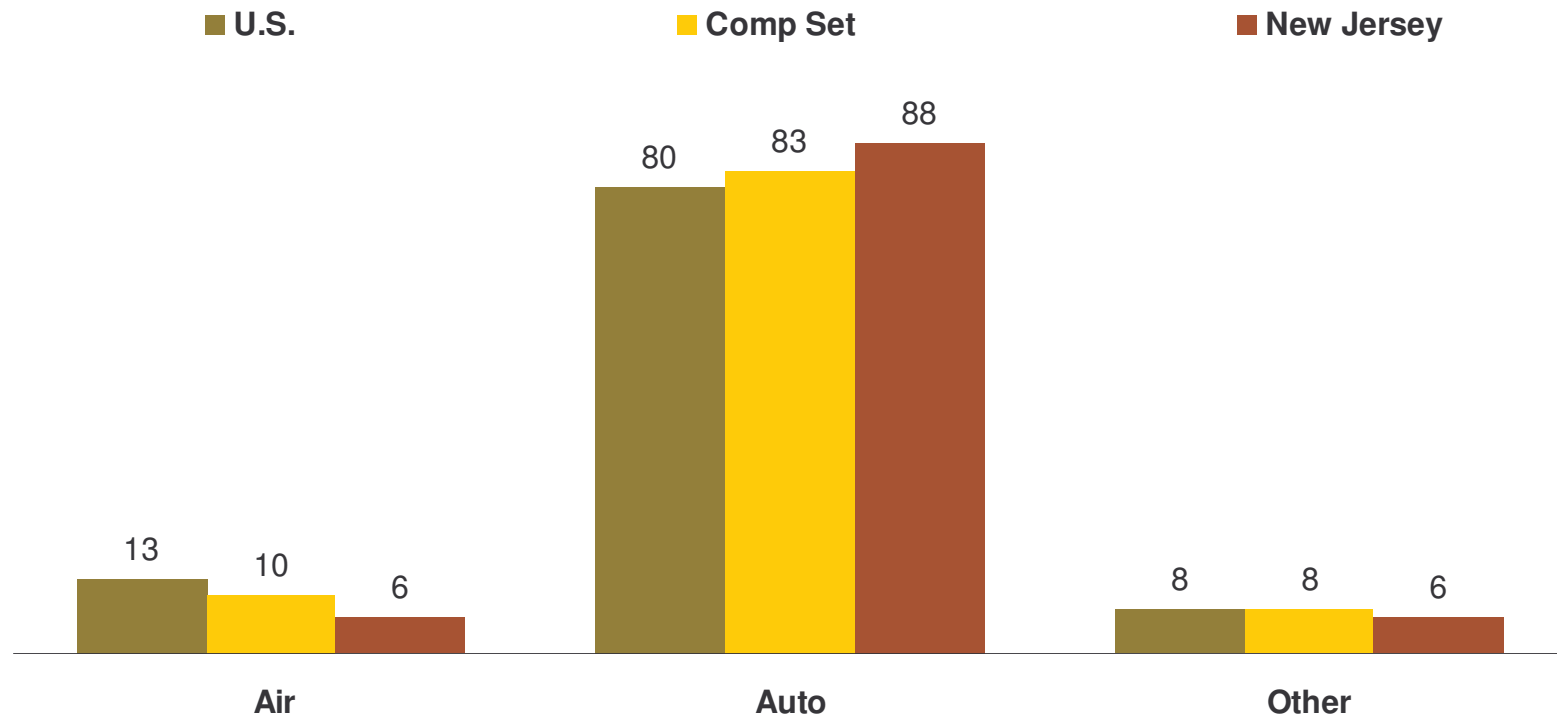
The top ten activities in New Jersey have remained consistent over the past five years. Those enjoying night life have increased 46% since FY2001. Participation in gambling has increased 37% as well as dining and entertainment, which have increased by 31% and 21% respectively. Shopping has decreased by 21% during the five year period.



Main Mode of Transportation: U.S., Competitive Set, and New Jersey (FY2005p/% of Overnight Leisure Person-Stays)



As with the U.S. and the Competitive Set, most overnight leisure visitors get to New Jersey via automobile.

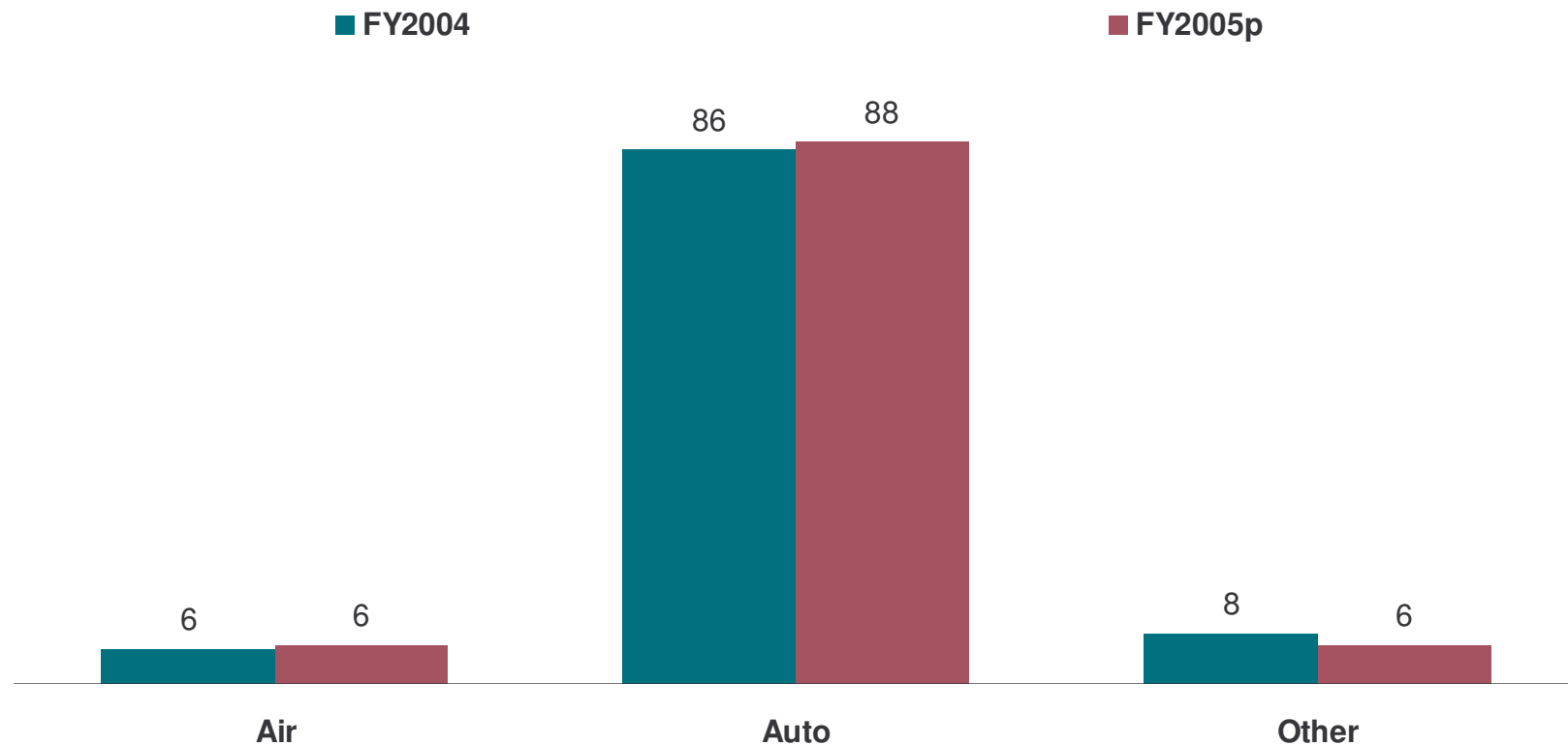


New Jersey Main Mode of Transportation (FY2004 vs. FY2005p/% of Overnight Leisure Person-Stays)



The proportion of overnight leisure visitors getting to New Jersey via automobile has remained fairly constant over the past five years.

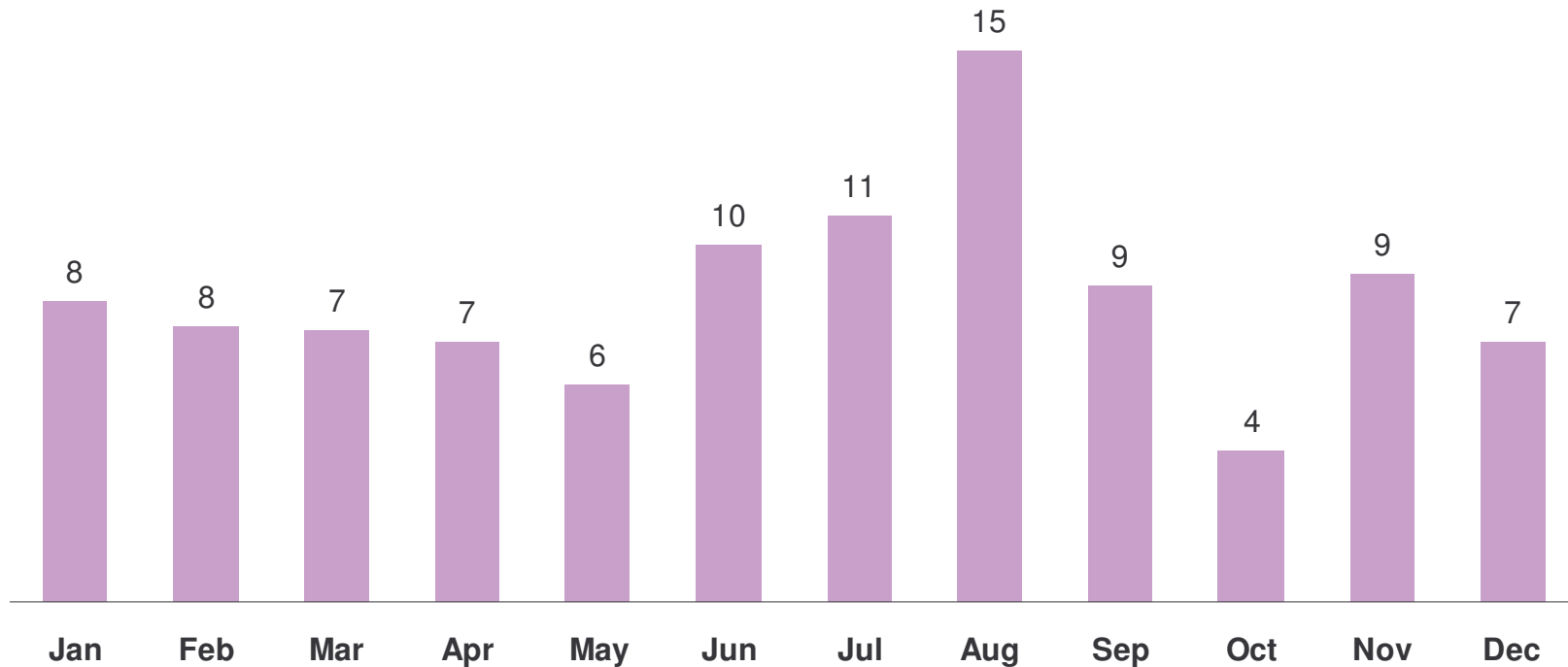
Other includes RV, train, bus, large truck, and other miscellaneous transportation modes.



New Jersey Month Trip Started (FY2005p/% of Overnight Leisure Person-Stays)



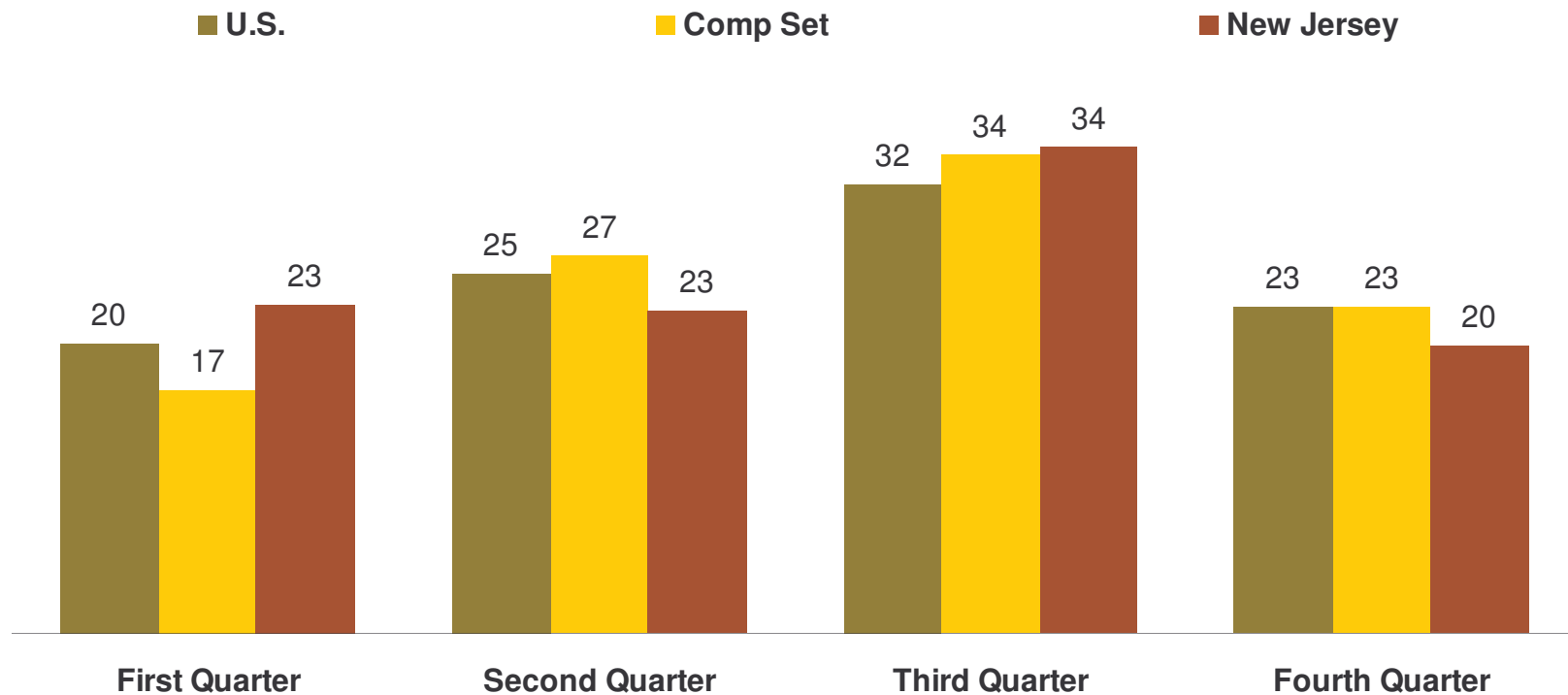
Most overnight leisure visitors travel to New Jersey in August (15%) followed by July (11%) and June (10%).



Trip Timing by Quarter: U.S., Competitive Set, and New Jersey (FY2005p/% of Overnight Leisure Person-Stays)

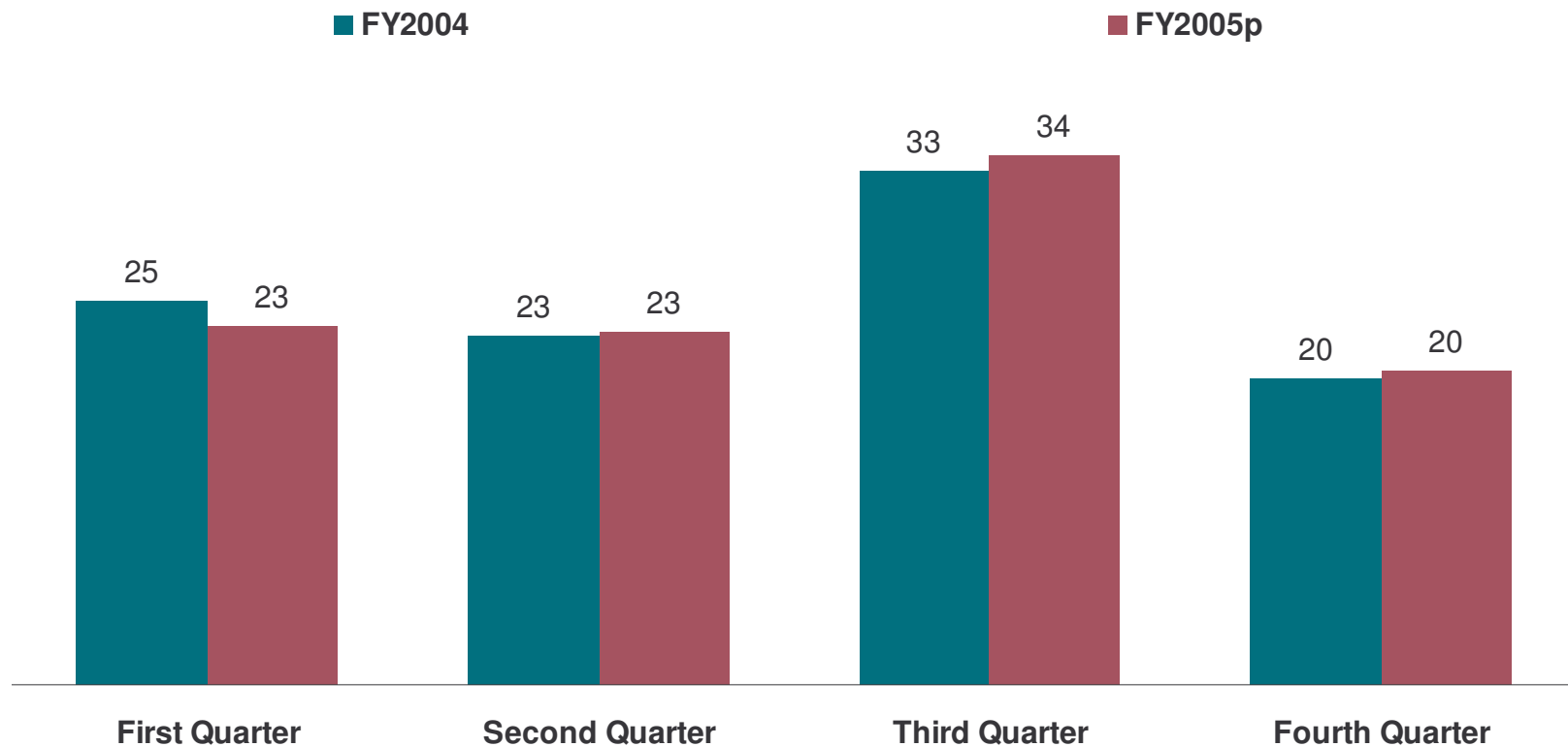


While the majority of overnight leisure travel to New Jersey occurs in the third quarter (July-September), the State beats the competition in the first quarter (January-March). Among the Competitive Set, only 17% of their overnight leisure travel occurs in the first quarter as compared to New Jersey's 23%.



New Jersey Trip Timing by Quarter (FY2004 vs. FY2005p/% of Overnight Leisure Person-Stays)

New Jersey's share of travel by quarter has remained fairly flat between FY2004 and FY2005p. Since FY2001 the share of first quarter overnight leisure travel to New Jersey has increased by 28% which is more than any other quarter.

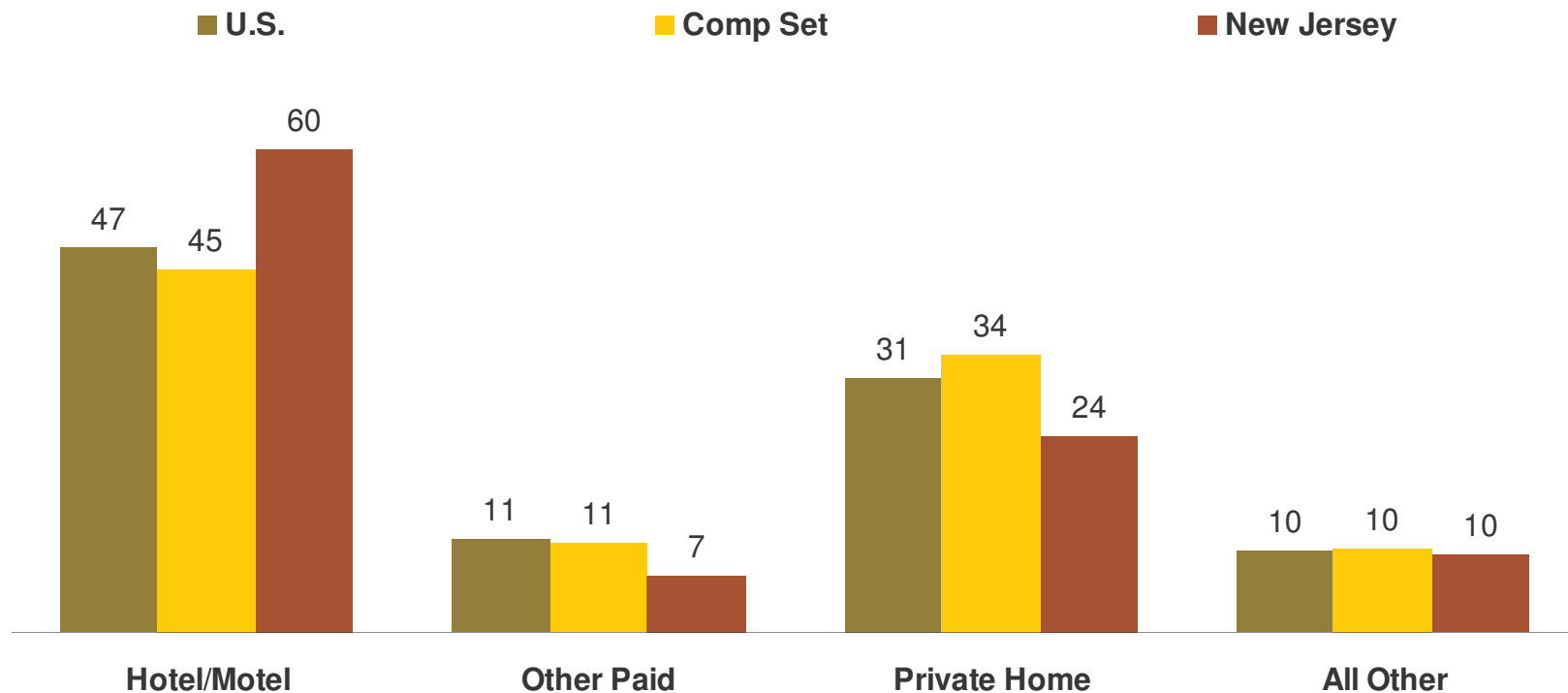


Accommodations Type: U.S., Competitive Set, and New Jersey (FY2005p/% of Overnight Leisure Person-Stays)



By far, hotels/motels account for the largest share of overnight leisure travel accommodations in New Jersey. The State's 60% share represents a 33% difference between New Jersey and the competition and a 28% difference between New Jersey and the U.S.

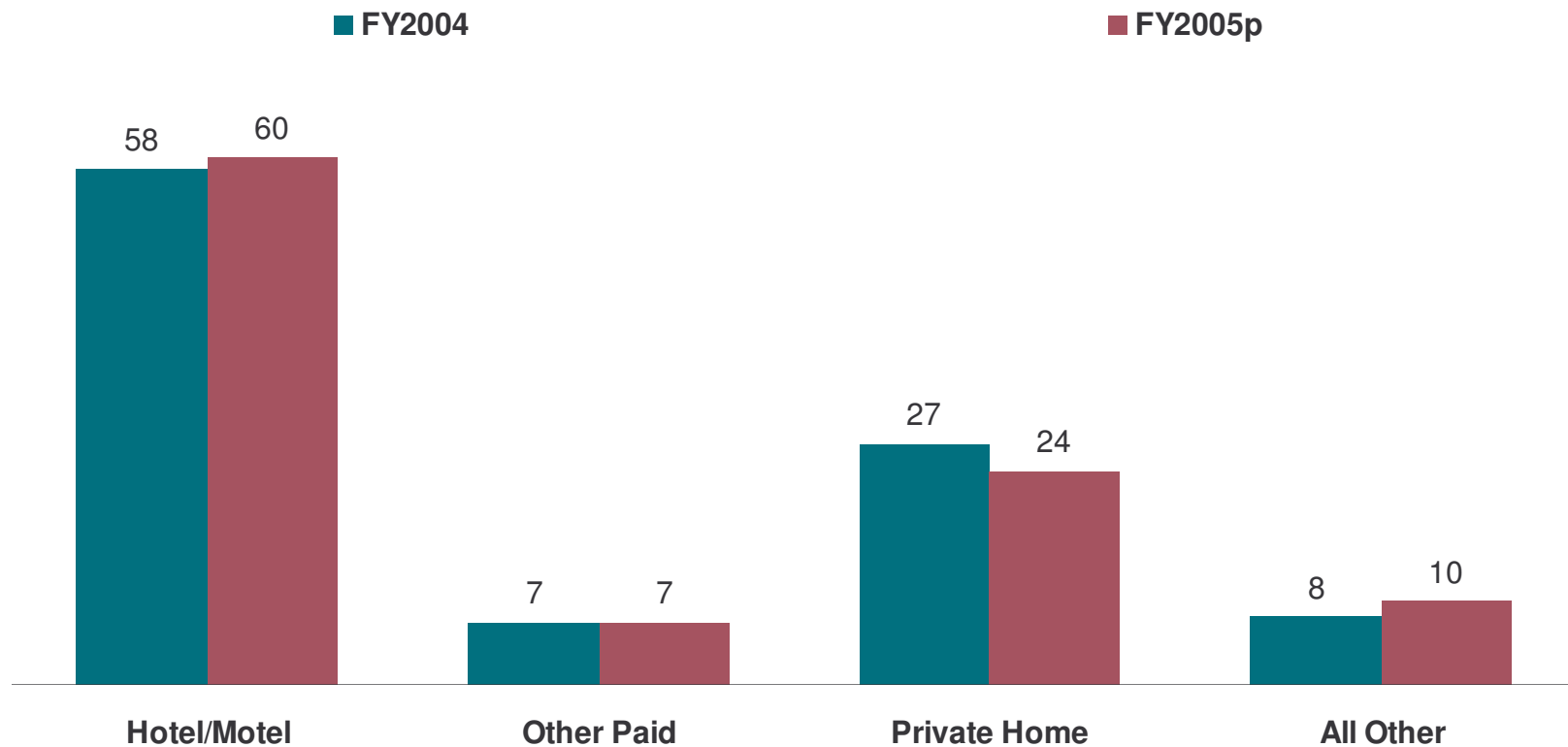
Other Paid accommodations include campgrounds, bed & breakfasts, and paid timeshare. All Other accommodations include second home ownership, time shares (own), and miscellaneous accommodations.



New Jersey Accommodations Type (FY2004 vs. FY2005p/% of Overnight Leisure Person-Stays)



The proportion of overnight leisure visitors staying in hotels/motels has increased in FY2005p, while the share of visitors staying in private homes has decreased.



Positioning Intelligence Summary



- The largest share (34%) of New Jersey's overnight leisure travel is for Getaway Weekends. In contrast, the largest share of U.S. and Competitive Set travel is to visit friends and relatives.
- Thus, it would follow that most overnight leisure visitors to New Jersey are staying for one (44%) or two (29%) nights. The average stay length is 2.53 nights.
- As with the U.S. and the Competitive Set, couples comprise the largest share of travel parties. New Jersey, however exceeds both the U.S. and the Competitive set by 25% in the share of couples traveling within the State. The average travel party size in FY2005p is 2.31 people which is an increase over FY2004 (2.23).
- For overnight leisure visitors to New Jersey, the largest share of daily spending is for food (27%) and entertainment (24%). For the U.S. and Competitive Set, the largest share of spending is for food and transportation. Transportation ranks third for New Jersey travelers with a 17% share. Average daily spending by New Jersey overnight leisure visitors is higher than that of visitors to most competitors ranging from \$91-\$101 and tied with New York at \$105 per person per day.

Note: Small differences in party size and stay length generate large differences in Person-Days.

Positioning Intelligence Summary (continued)



- Gambling and the associated activities of dining and entertainment account for the largest proportion of activities by overnight leisure visitors to New Jersey. This is followed by beach/waterfront activities. Visitors to both the U.S. and Competitive Set are more likely to engage in activities such as shopping and sightseeing in addition to dining.
- As with the U.S. and Competitive Set, most overnight leisure travelers arrive via automobile. The share of automobile travel is slightly higher for New Jersey visitors, which has increased modestly between FY2004 and FY2005p.
- The majority of overnight leisure travel to New Jersey as well as to the U.S. and Competitive Set occurs in the third quarter (July-September) of the year. August is the month in which most visitors travel to New Jersey.
- As is true for the U.S. and the Competitive Set, hotels/motels account for the largest share of overnight leisure travel accommodations. New Jersey's 60% share is greater by 33% than its competition.



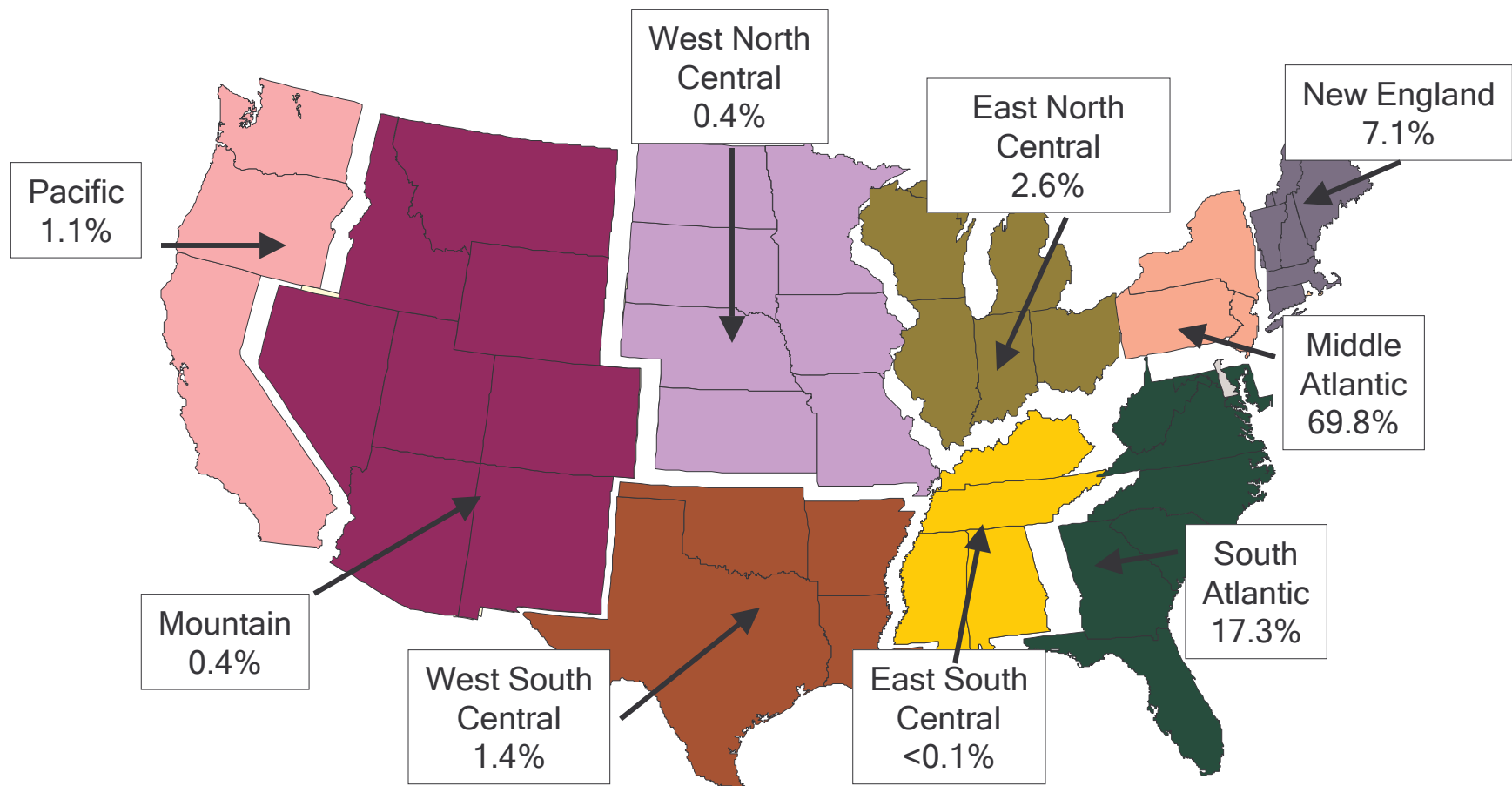


- The *Communicating* section will help travel marketers and planners know the key markets that generate the destination's largest share of visitors. This will help destinations launch marketing communications to markets that are likely to convert 'lookers to bookers.' Several origin market geographies are analyzed to give the destination a comprehensive view of where their visitors reside. The following describes these geographies:
 - The U.S. Census Bureau groups U.S. states into nine regions for statistical reporting purposes. These regions are based on purposes established in 1910 and are provided here for comparison to other Census data. This report evaluates the nine Census regions.
 - Defined by Nielsen Media Research, Inc, DMAs or Designated Marketing Areas denote a geographical area consisting of a primary city and surrounding county or counties. The DMAs represent a unified geographic media market. There are 210 DMAs in the U.S. Every U.S. county is in one and only one DMA.
 - MSAs reflect the Metropolitan Statistical Area, another concept developed by the U.S. Census Bureau. MSAs reflect groups of counties related to one another socially, geographically, and economically. There are more than 300 MSAs in the U.S. Not every county is in an MSA.
- In addition to knowing from where visitor's originate, the *Communicating* section also provides an analysis of the destination's competition and their respective share of the key origin markets. This analysis will help destination's know where else their visitors travel and, armed with the travel intelligence provided throughout this report, travel marketers can prepare a strategy to lure visitors away from the competition.

Top Origin Regions (FY2005p/% of Overnight Leisure Person-Stays)



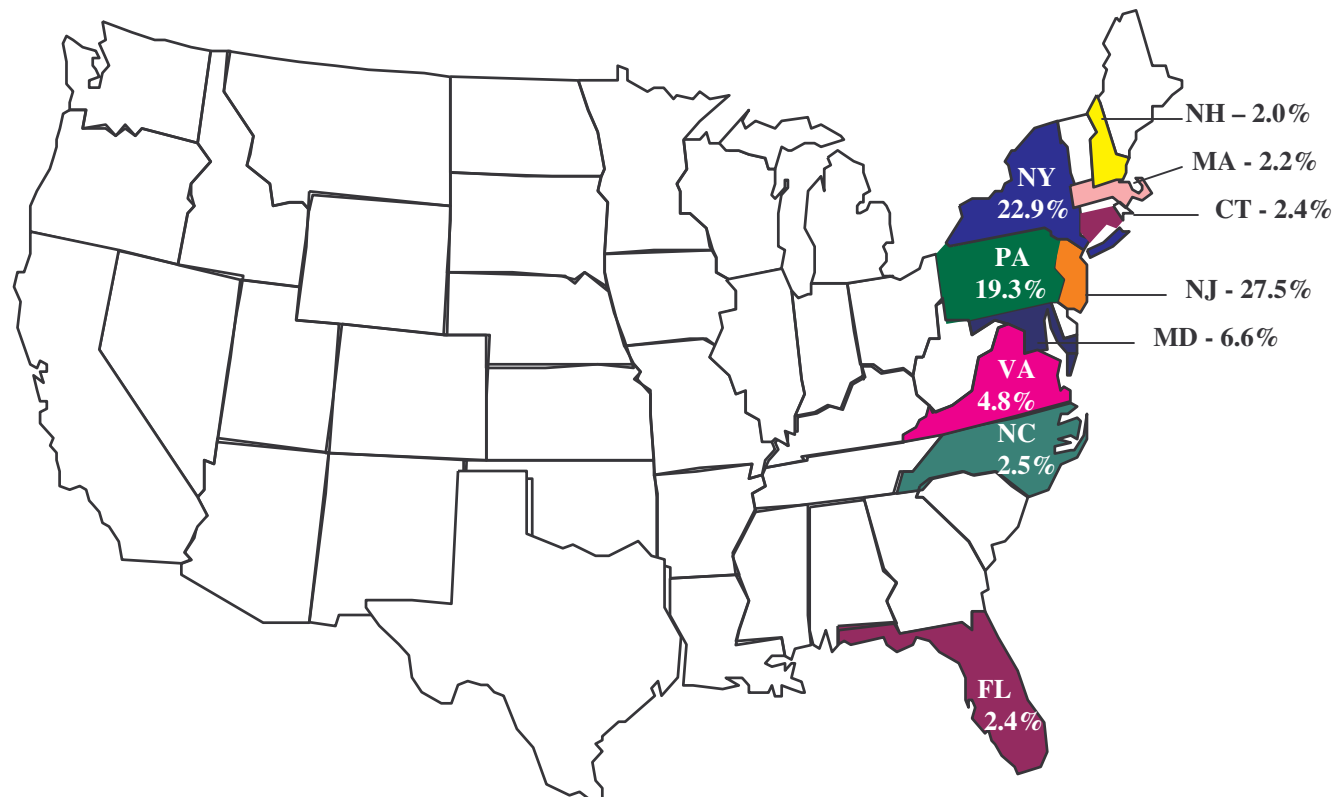
The U.S. Bureau of Census groups states into nine regions. More than half of New Jersey Overnight Leisure visitors live in the Middle Atlantic region (69.8%). Visitors live throughout the country, but an additional 17.3% and 7.1% live in the South Atlantic and New England regions, respectively.



New Jersey Top Origin States (FY2005p/% of Overnight Leisure Person-Stays)



New Jersey and New York combined account for half of New Jersey overnight leisure visitors. The top ten states produce almost all (93%) visitors to the State.



New Jersey Top Origin DMAs (FY2003 - FY2005p/% of Overnight Leisure Person-Stays)



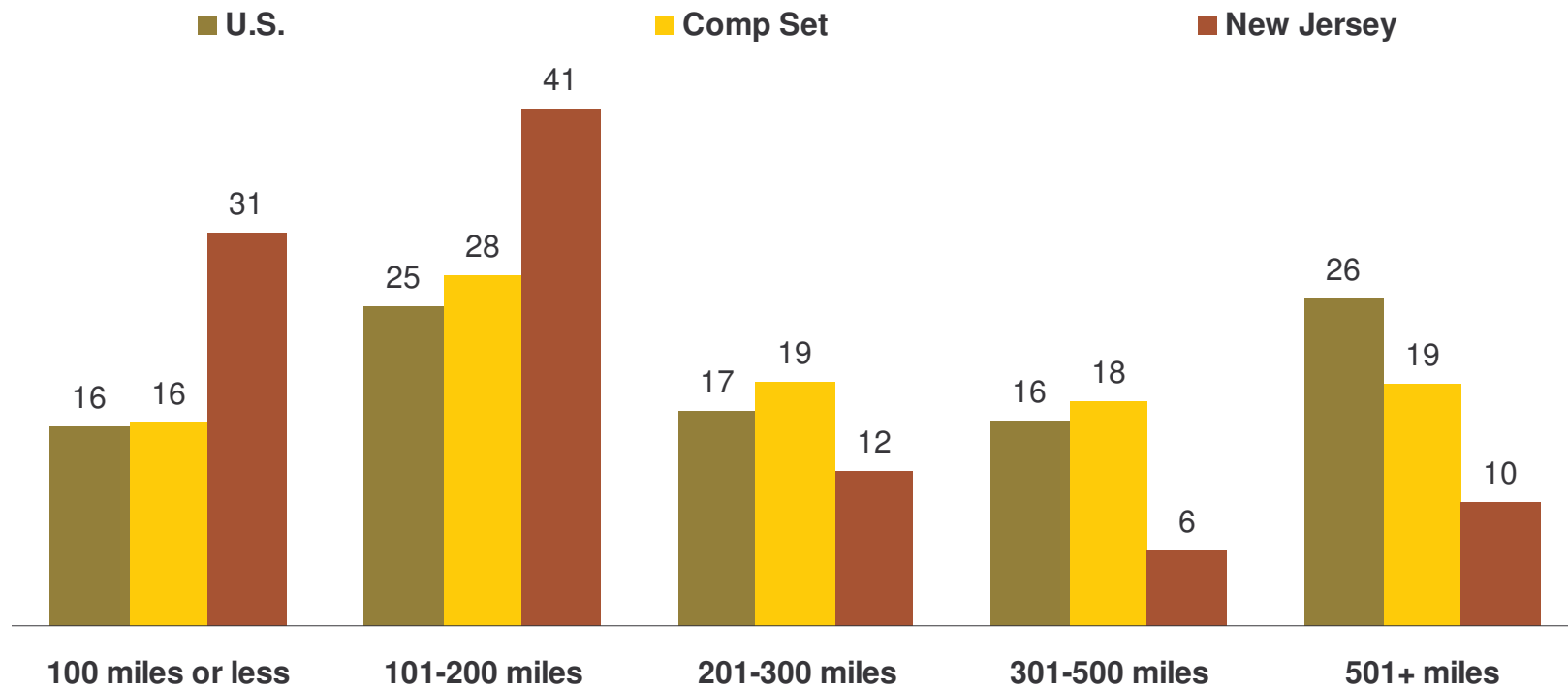
Visitor origin market data has been combined for three years --FY2003, FY2004, and FY2005p-- to provide better stability or reliability of the findings. The top ten markets account for 83% of all New Jersey visitors. Markets are sorted in descending order by New Jersey's top markets.

| | U.S. | New Jersey | New York | Pennsylvania | Maryland | Virginia | North Carolina |
|-----------------------------------|--------------|---------------|--------------|--------------|--------------|--------------|-------------------|
| New York, NY | 5.6% | 41.4% | 21.5% | 17.3% | 9.8% | 9.0% | 3.9% |
| Philadelphia, PA | 2.6% | 23.1% | 4.7% | 13.8% | 14.2% | 5.3% | 2.9% |
| Washington, DC (Hagerstown, MD) | 2.2% | 5.2% | 3.8% | 7.6% | 14.5% | 15.4% | 4.2% |
| Baltimore, MD | 1.0% | 2.7% | 1.0% | 3.4% | 13.3% | 4.1% | 2.0% |
| Boston, MA (Manchester, NH) | 1.9% | 2.2% | 4.8% | 2.3% | 2.0% | 1.9% | 1.0% |
| Wilkes Barre-Scranton, PA | 0.4% | 2.1% | 1.8% | 2.4% | 1.6% | 0.3% | 0.3% |
| Pittsburgh, PA | 1.1% | 1.6% | 1.5% | 8.4% | 3.6% | 2.2% | 1.3% |
| Harrisburg-Lancaster-Lebanon-York | 0.5% | 1.5% | 0.8% | 4.1% | 4.6% | 0.9% | 0.6% |
| Hartford & New Haven, CT | 0.9% | 1.5% | 2.7% | 1.6% | 0.6% | 1.1% | 0.8% |
| Raleigh-Durham, NC | 1.0% | 1.3% | 1.1% | 1.0% | 1.8% | 4.8% | 11.6% |
| Top 10 Sum | 17.2% | 82.6% | 43.7% | 61.9% | 66.0% | 45.0% | 28.6% |

Travel Distance Distribution: U.S., Competitive Set, and New Jersey (FY2005p/% of Overnight Leisure Person-Stays)



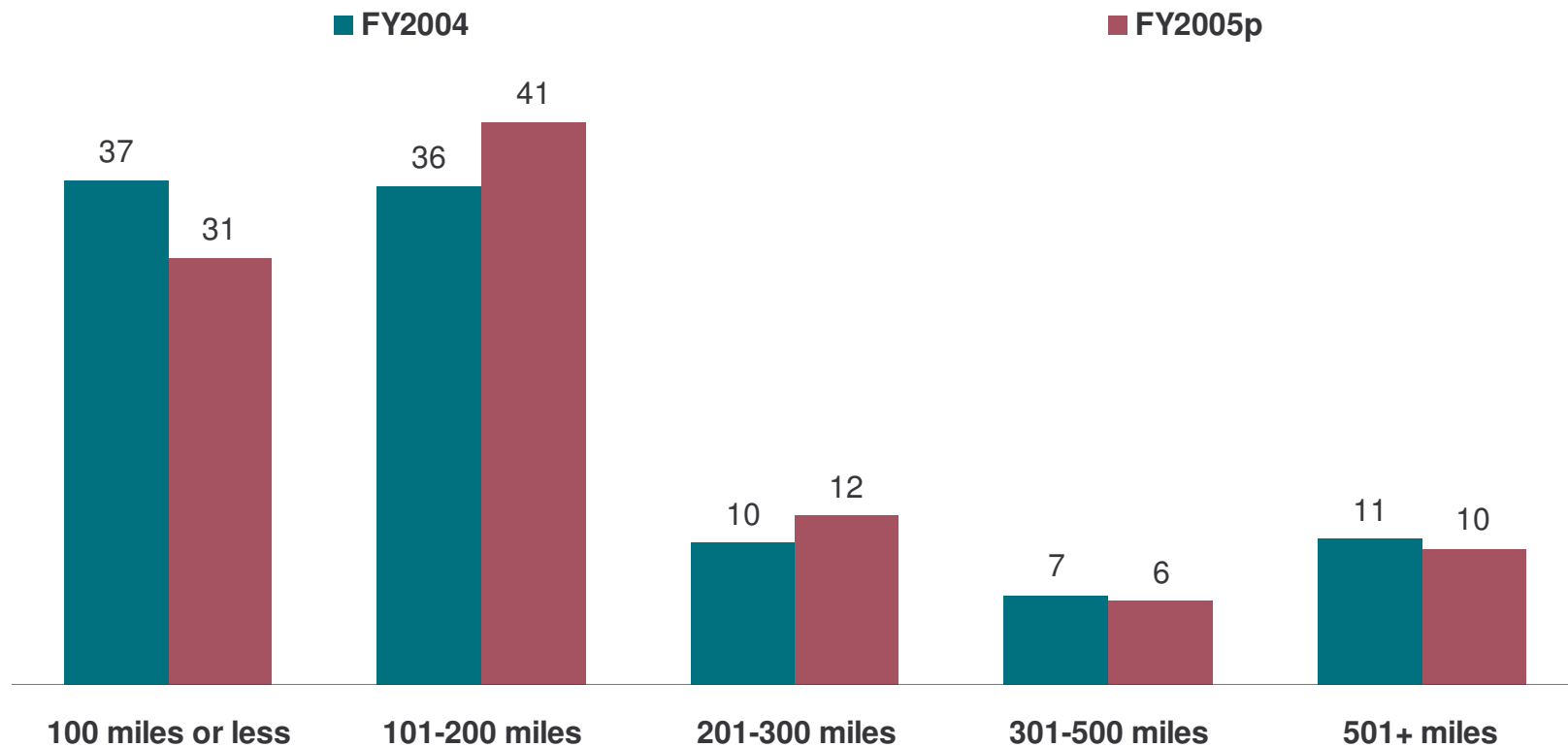
Thirty-one percent of overnight leisure visitors to New Jersey travel 100 or fewer miles one-way, which is almost double the Competitive Set. With an additional 41% traveling between 101 and 200 miles, a total of 72% of New Jersey overnight leisure visitors travel 200 or fewer miles to get to their destination.



New Jersey Travel Distance Distribution (FY2004 vs. FY2005p/% of Overnight Leisure Person-Stays)



Between FY2004 and FY2005P the proportion of New Jersey overnight leisure visitors traveling 101-200 miles increased, while those traveling 100 or fewer miles decreased. The proportions of visitors traveling longer distances remained fairly flat.



Communicating Intelligence Summary



- Although New Jersey visitors live in all parts of the U.S., an overwhelming majority (69.8%) live in the Mid-Atlantic region of the country, followed by the South Atlantic representing 17.3% of New Jersey's visitors.
- A majority (72%) of New Jersey overnight leisure visitors travel 200 miles or less and hail from New Jersey (27.5%), New York (22.9%) and Pennsylvania (19.3%).
- The DMAs of New York, NY (41.3%) and Philadelphia, PA (23.1%) make up 64.4% of overnight leisure travel to New Jersey. By comparison, the top 10 DMAs account for 82.6% of the overnight leisure travel to New Jersey.



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Appendices



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Appendix A— Company Overview



D.K. Shifflet & Associates Ltd.

Excellence in Travel Intelligence®

Founded in 1982, DKS&A specializes in syndicated and custom market research in the travel and tourism industry

Syndicated -

- Monitor U.S. Travel behavior: *PERFORMANCE/Monitor*SM - largest, ongoing travel tracking study in industry

Custom -

- Segmentation and positioning studies to assist clients in strategic marketing efforts
- Clients include destinations, theme parks, credit cards, auto clubs, hotels chains among others

Industry Acceptance - Client List



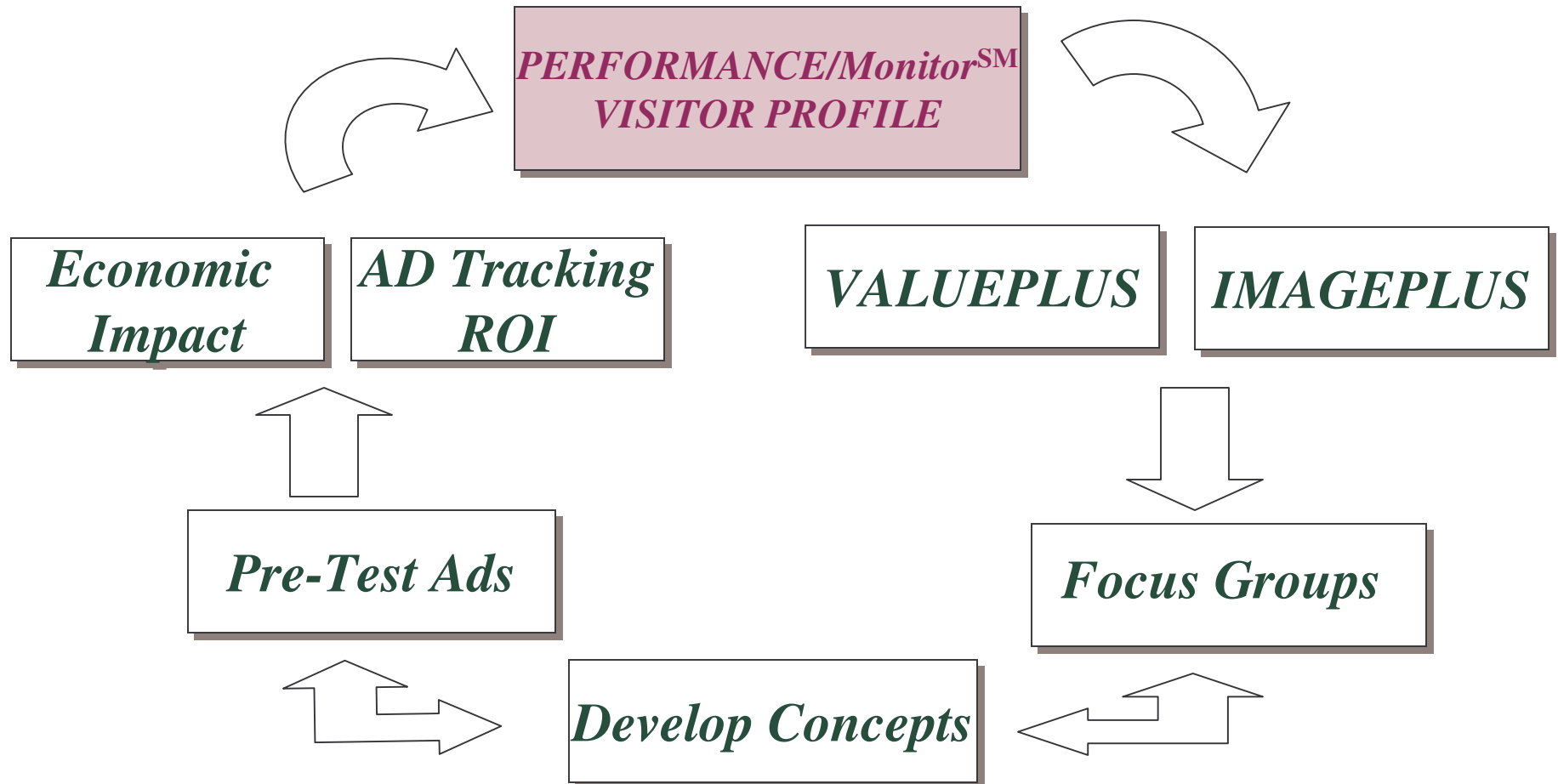
- **States:** Alabama, Arizona, Arkansas, California, Florida, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maryland, Michigan, Minnesota, Mississippi, Missouri, New York, Pennsylvania, Texas, Utah, Vermont, West Virginia, and Wisconsin
- **CVBs:** Asheville, Atlantic City, Baltimore, Boston, Branson, Buffalo, Chicago, Cleveland, Dallas, Detroit, Durham, Hilton Head, Indianapolis, Los Angeles, Louisville, Kansas City, Kissimmee/St. Cloud, Long Island, Louisville, Miami, Myrtle Beach, Nashville, New York City, Niagara Falls, Orlando, Panama City Beach, Phoenix, Pigeon Forge, Providence, Salt Lake City, San Antonio, San Diego, San Francisco, Savannah, Traverse City, and Tulsa
- **International:** British Columbia, Canadian Tourism Commission, Israel, and Ontario.
- **Attractions/Theme Parks:** Numerous attractions including most major theme park companies.
- **Hotel/Motels:** Cendant (7 Brands), Marriott (8 Brands), Accor (4 Brands) and InterContinental Hotel Group (3 Brands), Carlson Companies (Country Inns & Suites, Radisson). Other hotel clients include Best Western, Extended Stay America, Hilton, Hyatt (AmeriSuites), La Quinta (Baymont Inns) and Microtel Inns.
- **Other Clients:** AAA, Arthur Andersen, AVIS, Bear Stearns, Discovery Communications, Enterprise Rent-A-Car, Ernst & Young, Fairfield Communities, General Electric, IACVB, Marriott Vacation Club, Price Waterhouse Coopers, Port Authority of New York and New Jersey, USA Today, and VISA USA.



DKS&A's Integrated Approach



- DKS&A's client-value philosophy uses an integrated approach to implementing a client's marketing research efforts. We generally initiate research with a comprehensive visitor profile report and competitive analysis of the overnight leisure visitor.
- We have collected U.S. traveler data since 1992 (domestic and international), which is sold on a syndicated basis and reduces the cost of data collection for all subscribers. Yet each of our destination clients receives a custom report of their information and their competitors. We can further "MINE" our data to provide clients with "niche" segmentation reports and origin market outbound travel reports.
- We also conduct awareness and usage studies, visitor satisfaction and value studies and work with clients to develop branding and communication strategies.
- We work with our clients to develop and pre-test advertising.
- We also measure the results of advertising campaigns and marketing efforts in the field.
- We have exclusive associations with other leading companies in specific research and economic disciplines that provide our clients with world class expertise in key areas of marketing research and accountability.
- This integrated approach is designed to maximize our client's resources and produce actionable marketing intelligence, which we believe will produce better decision making and bottom line results.





PERFORMANCE/MonitorSM *Appendix B—Methodology*



- All of the information contained in this report is derived from D.K. Shifflet and Associates' *DIRECTIONS*® tracking system.

Travel definition: An overnight trip or any day-trip greater than 50 miles one-way from home

- To meet the need for quality information, DKS&A conducts the largest, ongoing, monthly survey of U.S. consumers' travel behavior—the *PERFORMANCE/MonitorSM*.
 - Each mailing goes to an average of 45,000 households per month.
 - Each survey collects the previous 3 months of travel behavior.
 - DKS&A uses an overlapping monthly mail sequence which reduces sample bias for maximum accuracy.
 - More than 70,000 traveling households respond to the survey each year. This results in more than 145,000 Stays at destinations throughout the U.S.
 - By far, DKS&A has the largest U.S. destination and accommodations traveler database.
- Our methodology provides superior quality control measures:
 - We use the Synovate, Inc (formerly Market Facts, Inc.) household panel—households who have agreed in advance to periodically participate in mail and phone surveys. Extensive information about the household and its members is obtained at the time of household recruitment. Thus, a key advantage of the household panel is knowing to whom surveys are sent and from whom surveys are received. Another key advantage of the panel method is higher response rates to surveys—typically 2 to 3 times higher.
 - The 45,000 average monthly mailings are balanced to the U.S. population across six demographic variables (age, gender, income, education, number of adults, and state of residence). Returned questionnaires are re-balanced to these same variables. This re-balancing ensures findings reflective of the U.S. population and enables findings to be projectable to the entire U.S. population.



- Returned questionnaires go through an extensive set of manual (visual) and automatic (computer program) processing checks to improve data quality. Questionnaires containing anomalies are discarded or corrected based on insights developed from more than a decade of processing experience.
- All volume estimates in this report are based on a revised visitor volume methodology. The revisions reflect changes in the national-level model and the incorporation of a small-area estimation model. The national-level revisions were necessary following the dramatic changes to travel behavior following September 11, 2001. The small-area estimation component adds enhanced reliability to quarterly and annual estimates by using other data sources (such as hotel room demand and government transportation statistics) as data “anchors” or “reality checks.” Data reported reflect the influence of the revised volume model and the influence of revised population estimates resulting from the 2000 Census.
- Data tables that show all the detailed data collected in this study are delivered to the client. Responses are shown for the total sample as well as key subgroups. The percentages of some questions may exceed 100% due to the rounding of numbers and/or multiple responses permitted for that particular question.

Appendix C– Study Specifications and Definitions



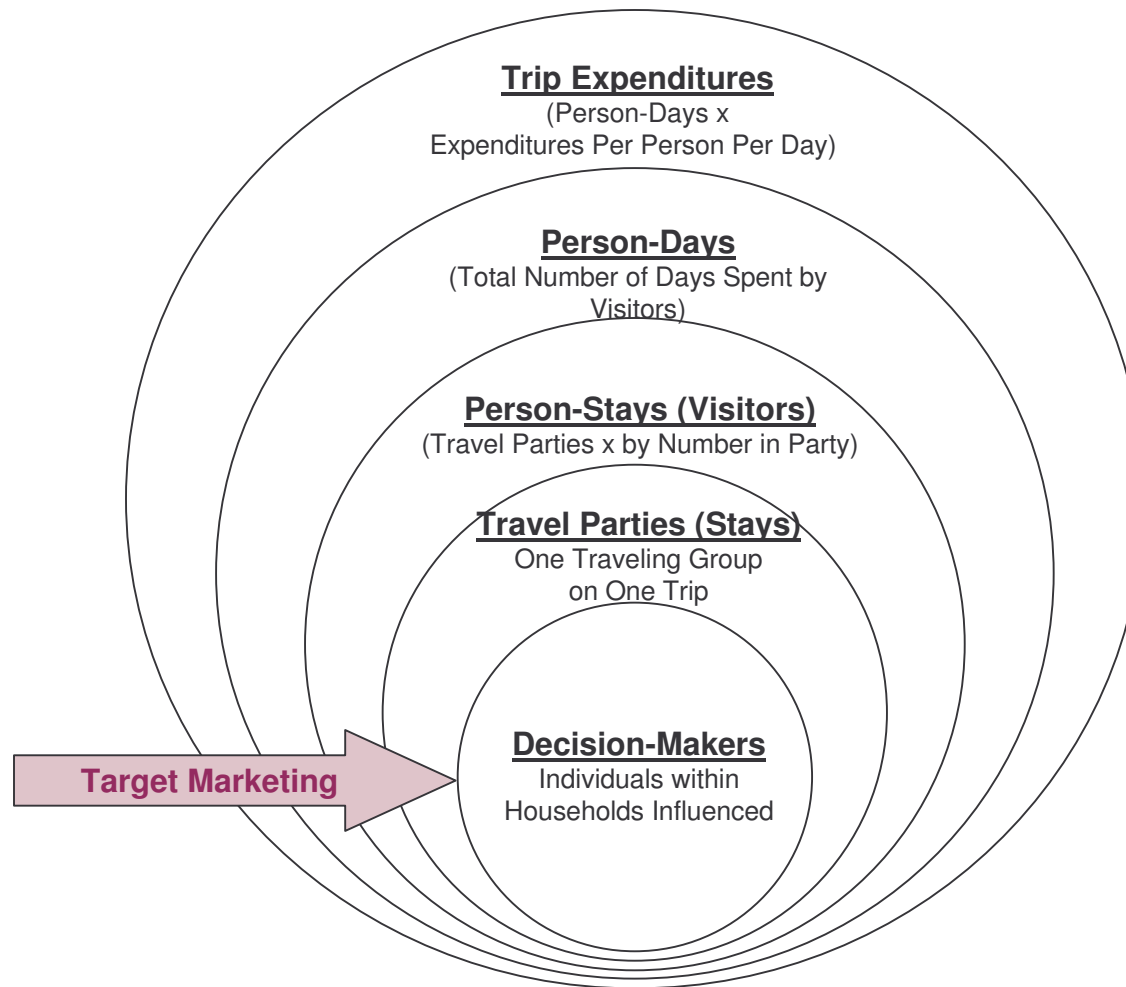
- *Objective* - Describe the *domestic Overnight Leisure* travel market in New Jersey compared to the U.S. and competition.
- *Sampling Frame* - All U.S. domestic Overnight Leisure travelers on mail panel during the preliminary FY2005p in the following destinations:

| <u>State</u> | <u>Sample Size</u> |
|------------------|--------------------|
| - New Jersey | 846 |
| - New York | 1,458 |
| - Pennsylvania | 1,362 |
| - Maryland | 556 |
| - Virginia | 1,014 |
| - North Carolina | 1,068 |

- *Timeframe* - The preliminary FY2005 year provides an early estimate of travel for the 2005 fiscal year. The client has defined the preliminary data to contain travel data from Quarter 4 2004 through Quarter 3 2005. The preliminary data is used in this report to accommodate the timing of the New Jersey Governor's conference.



- DKS&A can present the results of our **DIRECTIONS® PERFORMANCE/MonitorSM** study of U.S. travelers at many levels. Each level of reporting is used for different purposes.
- The smallest unit is the Decision-Maker, commonly the target of your marketing efforts. The largest measure of visitor volume is *Trip Expenditures* and answers the question “How much did they spend”?
- To answer the question of “How many people came and bought your product (destination)?”, we report the number of people who visited and how long they stayed, i.e., *Person-Days*. Person-Days is a cumulative measure of total volume of travel generated by travelers, and is therefore an appropriate measure to use when discussing a destination’s volume and relative market share.
- In contrast, the number of *Person-Stays* taken to a destination tells you how many people came to your destination, but not how long they stayed. For example, this measure tells you how many people traveled for overnight leisure. It does not tell you how long they stayed, just that they were there for leisure.
- People often travel together with family, friends or with other groups. The number of *Travel Parties* tells you how many distinct groups of travelers came to your destination.





- In most cases, use of weights depends on what you are trying to learn through the data.
- There are not necessarily any “right” or “wrong” weights to use in most cases.
- However, there are some variables that **MUST** use a specific weight.
- A weight makes a particular case, or response, more or less important.
 - Unweighted Data
 - Respondent Weight
 - Travel Weights
 - Stays Weight
 - Person-Stays Weight
 - Person-Days Weight
 - Room-Nights Weight
 - Trip-Dollars Weight



- Unweighted data is the raw data.
- Contains no links to the population or DKS&A data modeling.
- It is simply respondent data as returned to us on the surveys.
- Note that we mail surveys out to a representative sample of the U.S. population (through our mail panel, called Synovate).
- However, the returned surveys are not representative.
- The returned surveys are the raw, unweighted data.
- When we “re-balance” the data based on population, we arrive at the Respondent-Weighted data.
- Use Unweighted data, or No Weight, when running sample counts in *DIRECTABS*® (Distinct, Count).



- The Respondent Weight is the most basic form of weighted data to represent the U.S. population
 - Creates only links to the population and not to any modeling of the data.
- Weights the data by the demographic characteristics of age, gender, income, education, number of adults, and state of residence.
- Population distributions are obtained from the Current Population Survey's Annual Demographic Survey, which is conducted by the U.S. Census Bureau for the Bureau of Labor Statistics.
- Again, we use the respondent weight to run the most "untouched data". In other words, there are no other influences introduced from our data models.



- Stays Weight is the most basic travel weight. It is the broadest unit used for measuring a travel experience.
- To arrive at the Stays weight, the respondent weight is adjusted based on certain variables in order to ensure that there are a certain number of trips that fit a certain number of standards.
 - These adjustments are based on length of stay, length of trip, mode of transportation, purpose of trip, and special adjustments for particular mailing months and destinations.
- Stays Weight reflects the “stay” in its rawest form: a little more subtle than the respondent weight.

Mr. & Mrs. Smith’s 5-day vacation in Anytown, USA = 1 Travel Party, or 1 visit, or 1 STAY.

- Keep in mind that a trip can have multiple Stays.
 - For example, a person can travel from their house in Maryland, spend the day and night in Washington, D.C., then drive Philadelphia, PA for a day and night and then back home to Maryland. This is one trip, but two Stays. DMOs profile the “stay” at the particular destination. States profile all Stays that were part of the trip.
- After running data using no weights (or unweighted), then using the respondent weight, the Stays weight is then a good weight to use to help explain causes of change in volume segments, because it is the purest way of looking at characteristics of the stay without any other influences. This progression of running data as unweighted, followed by the respondent weight, and finally using the Stays weight is the appropriate progression to sorting out a data problem.
- The Stays weight is the appropriate weight to use if you want to profile your Travel Parties.



- **Person-Stays Weight** = The total number of people on a stay, regardless of the length of their stay. This measure generally equates to the number of visitors.

*Stay Weight * Total Party Size*

- Person-Stays weight is like Person-Days excluding the length of stay
- If you are running a “profile” of your visitors, this is the most common and proper weight to use, with a few exceptions.
- Use of this weight takes into account the number of people on a trip. Travel Parties that are larger in size have higher person-trip weights, while Travel Parties that are smaller in size have lower person-trip weights.

Mr. & Mrs. Smith's 5 day vacation in Anytown, USA = 2 Person-Stays or 2 visitors.



- **Person-Days Weight** = The total number of people on a stay multiplied by the number of days they are on the stay. I.E. You and a friend go to Cleveland for a week (7 days). This would be 2 people x 7 days each = 14 Person-Days.

*Person-Stays * Number of Days in Stay*

- Use of this weight takes into account the number of people on the trip as well as how long they stayed. Travel Parties that are larger in size and stayed for longer periods of time have higher person-day weights.
- The Person-Days weight is the best “proxy” weight for Trip-Dollars, because the Trip-Dollars weight has issues and is subject to very large variation due to smaller sample size and the nature of reporting information about money spent.

Mr. & Mrs. Smith's 5 day vacation in Anytown, USA = 10 Person-Days (2 Person-Stays x 5 days)



- **Room-Nights Weight** = The number of nights spent in a room, regardless of the number of people staying in the room.

*Stays Weight * Number of Nights in Stay*

- Room-Nights Weight is like Person-Days minus the people
- Use of this weight takes into account only the number of nights spent in rooms.
- This weight is generally only used for data dealing with those travelers that stayed in paid accommodations, but it can be used to measure Stays in other accommodations.

Mr. & Mrs. Smith's 5 day vacation in Anytown, USA = 5 room-nights (given they stayed in a paid accommodation (most applicable))



- **Trip-Dollars Weight** = Use of this weight takes into account the amount of money spent by travelers. In other words, it accounts for the dollars contributed to a destination's economy by travelers. Using the trip-dollars weight shows the monetary worth/contribution of travelers as opposed to the contribution of number of trips or number of days spent in the destination.

Stays Weight * Total Travel Party Spending

- It is very interesting to compare data run in Person-Stays to the same data run in trip-dollars. For example, Couples may account for 20% of a destination's Person-Stays, but may account for 40% of a destination's trip-dollars.

If Mr. & Mrs. Smith spent \$100 per person per day on their 5 day vacation in Anytown, USA, their trip expenditures would be \$1,000 (10 Person-Days x \$100 per person per day).

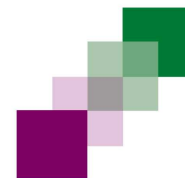
General Rules of Thumb when Choosing Weights



- When selecting the proper weights to apply to data, the following general rules apply. There are a few important exceptions, which will be described.
- When choosing a weight, do not choose a particular weight if the weight and the variable have a common concept. For example, the variable party composition includes the concept of party size. Thus, you would not want to use the Person-Stays weight, because that also includes the concept of party size.
- When you profile visitors to your destination, the Person-Stays weight is generally preferred for the overall profile because you are seeking to understand the travel behaviors and characteristics of the entire population of your visitors.
- When you are running data to help determine potential travelers (behaviors and characteristics) an appropriate weight to use would be the Stays Weight. This is because you profile or describe your individual visitors, but you market via various forms of media to households, not individuals. Households are generally the Travel Parties who make the “stay” in your destination.
- The variable of Party Size has an impact on just about every variable.
- Example: There is a strong correlation between party size and length of stay. You should be careful when you say that your visitors are staying longer if you see an increase in the average length of stay. In fact, it may be the case that your visitors were not really staying for longer periods of time. It may be that there was actually an increase in party size. There may have been an increase in share of travel by Families (which have a larger party size) and Families tend to stay for longer periods of time. So, the driver for an increase in length of stay that you may be seeing may be due to the fact that you simply had an increase in share of larger Travel Parties like Families, who also tend to stay longer, but may not have actually increased their length of stay.



| | P-Trips Report | P-Days Report | R-Nights Report | Trip-Dollars Report |
|---------------------------|----------------------|----------------------|--------------------|---------------------|
| <i>Age</i> | Person-Stays | Person-Days | Room-Nights | Trip-Dollars |
| <i>Income</i> | Person-Stays | Person-Days | Room-Nights | Trip-Dollars |
| <i>Party Composition</i> | Stays | Trip-Days | Room-Nights | Trip-Dollars |
| <i>Occupation</i> | Person-Stays | Person-Days | Room-Nights | Trip-Dollars |
| <i>Education</i> | Person-Stays | Person-Days | Room-Nights | Trip-Dollars |
| <i>Length</i> | Person-Stays | Person-Stays | Stays | Trip-Dollars |
| <i>Transportation</i> | Person-Stays | Person-Days | Room-Nights | Trip-Dollars |
| <i>Accommodations</i> | Person-Stays | Person-Days | Room-Nights | Trip-Dollars |
| <i>Expenditures</i> | Person-Days | Person-Days | Person-Days | Person-Days |
| <i>Travel Agent Usage</i> | Person-Stays | Person-Days | Room-Nights | Trip-Dollars |
| <i>Leisure Purpose</i> | Person-Stays | Person-Days | Room-Nights | Trip-Dollars |
| <i>Business Purpose</i> | Person-Stays | Person-Days | Room-Nights | Trip-Dollars |
| <i>Activities</i> | P-Ts or Stays | P-Ts or Stays | Stays | Trip-Dollars |
| <i>Distance</i> | Person-Stays | Person-Days | Room-Nights | Trip-Dollars |
| <i>Seasons</i> | Person-Stays | Person-Days | Room-Nights | Trip-Dollars |
| <i>Ratings</i> | Person-Stays | Person-Days | Room-Nights | Trip-Dollars |
| <i>Origin Markets</i> | Person-Stays | Person-Days | Room-Nights | Trip-Dollars |



- Party Composition - Party Composition is best run using the Stays Weight (if you are running it in conjunction with other data run using Person-Stays weight). The reason for this is that party composition already takes into account the “people” on the trip. So, you would not want to weight it using Person-Stays, which also takes into account the number of people, or party size. If you ran party composition weighted by Person-Stays, then larger Travel Parties, such as Families, would get heavier weights and smaller Travel Parties such as Couples or Adults Traveling Alone would get lower weights than they should. In a sense, you would be double-counting.
- Expenditures - Expenditures must ALWAYS be run using Person-Days Weight. The reason for this is due to the way we ask the question in the *PERFORMANCE/Monitor*SM. We ask respondents to indicate how much they spent per person per day. Thus, the Person-Day Weight must be used.
- Length of Stay - Length of stay should never be run using Person-Days, Person-Stays or Room-Nights weights, and should be run using Stays Weight. The reason for this is because this measure already takes into account the number of days a respondent is spending on the stay. So, running length of stay using Person-Days would be double counting - giving higher weights to those who stayed longer (more days). Room-Nights also already includes a length of stay concept. In addition, Length of Stay should not be run using the Person-Stays weight. The reason for this is that Length of Stay and Party Size have a strong correlation. The Person-Stays weight contains the element of Party Size. Using the Person-Stays weight for Length of Stay may result in a false understanding of change in Length of Stay.
- Activities - Activities should be run using the Stays Weight or Person-Stays Weight and not the Person-Days Weight. Running activities in Person-Days makes the assumption that each person on the stay participated in each activity for each day. Running activities in Person-Stays makes the assumption that each person on the stay participated in each activity. Running activities using the Stays Weight makes the assumption that at least one person on the stay participated in an activity on at least one day of the stay.



The confidence interval table indicates how well the data-based on a sample-reflects the entire population of travelers. The smaller the interval, the more accurate the data and the greater confidence we have that the sample number represents the population. For example, if the air travel finding for the U.S. is 10%-using the chart below-we can say that the actual proportion of the population is 10% plus or minus 0.1 percentage point. DKS&A uses a 90% confidence level. Because it reflects a good balance between accepting a difference in findings as real when it in fact is not, and rejecting a difference as not real, when it actually is (in statistical terms, the tradeoff between making a “Type I” and “Type II” error).

| | Sample Size FY2005p | Percentage Finding in Report or Data Tables | | | | |
|--------------------------|------------------------|---|-------------------------|--------------------------|--------------------------|-------------------|
| | | At or near 2% or 98% | At or near 5% of 95% | At or near 10% or 90% | At or near 25% of 75% | At or near 50% |
| Overnight Leisure Travel | | | | | | |
| U.S. | 27,143 | 0.1% | 0.2% | 0.3% | 0.4% | 0.5% |
| New Jersey | 846 | 0.6% | 1.0% | 1.5% | 2.1% | 2.8% |
| Competitors (NET) | 5,017 | 0.2% | 0.4% | 0.6% | 0.9% | 1.2% |
| New York | 1,458 | 0.4% | 0.8% | 1.1% | 1.6% | 2.1% |
| Pennsylvania | 1,362 | 0.4% | 0.8% | 1.2% | 1.7% | 2.2% |
| Maryland | 556 | 0.7% | 1.3% | 1.8% | 2.6% | 3.5% |
| Virginia | 1,014 | 0.5% | 0.9% | 1.4% | 2.0% | 2.6% |
| North Carolina | 1,068 | 0.5% | 0.9% | 1.3% | 1.9% | 2.5% |

Note: Sample size differs slightly from table to table and reflects small differences in the proportion of respondents who answered the question



D.K. SHIFFLET & ASSOCIATES, LTD *DIRECTIONS® PERFORMANCE MONITORSM* SURVEY QUESTIONS (3-17-05)

Sample Contacted Annually: 540,000 Households

45,000 Per Month - Every Month - Year After Year

[unless otherwise identified, each measure generally available by month back to 1992]

1. Age of Respondent [Open End/Actual]
Gender of Respondent ☐ Male ☐ Female
2. List your frequent traveler programs and travel club memberships (name of airlines, hotels, rental cars, auto club: AAA, etc; AARP). (List up to 6)
[Open End/Coded]
3. **Last 12 months**, number of nights you stayed in paid lodging (e.g. hotel, condo, ship, campground) for:
Business: Number of Nights [Open End/Actual]
Leisure: Number of Nights [Open End/Actual]
Theme Parks: Number of Times [Open End/Actual] *Added 06/96*



4. **Past 3 months** travel, both business and leisure, how many did you take of:

- 4a. Overnight Trips: A night away from home, local or distant.
Overnight Trips: Number of Times [Open End/Actual] (*"0" if none*)
- 4b. Day Trips: out of your local area (50+ miles one way).
Day Trips: Number of Times [Open End/Actual] (*"0" if none*)

If "0" to both questions 4a and 4b, stop here. Otherwise continue with question 5.

5. Answer for all day and overnight trip(s) in the past 3 months. (up to 9 trips)

5a. **TRIP**

| | |
|-------------------------------|--|
| Trip Start: Month and Date | [Open End/Actual] |
| Trip Length: Number of Nights | [Open End/Actual] (<i>"0" if day trip</i>) |
| Was the trip a group tour? | [Y/N] |

5b. **TRAVEL PARTY COMPOSITION**

| | |
|----------------------------|-------------------|
| Number of Men | [Open End/Actual] |
| Number of Women | [Open End/Actual] |
| Number of Kids Age 0-17 | [Open End/Actual] |
| Number from your Household | [Open End/Actual] |



5c. TRANSPORTATION

Main Mode of Transportation:

- | | | | |
|---|------------|---|-----------------------|
| 1 | Airline | 6 | Van/ SUV/ Small Truck |
| 2 | Amtrak | 7 | Large Truck |
| 3 | Car | 8 | Ship |
| 4 | Bus | 9 | Other |
| 5 | Camper/ RV | | |

Payment Method:

- | | | | |
|---|------------------|----|---------------------|
| 1 | Cash/ Check | 6 | Diners' Club |
| 2 | American Express | 7 | Other Card |
| 3 | MasterCard | 8 | Company Direct Bill |
| 4 | Visa | 9 | Points/ Miles |
| 5 | Discover | 10 | Other/ Free |

Reservation Type:

- | | | | |
|---|--------------------|---|--|
| 1 | No Reservation | 5 | Airline Co. Website <i>Added 11/02</i> |
| 2 | 800 Phone # | 6 | Other Website <i>Added 11/02</i> |
| 3 | Corp. Travel Dept. | 7 | Other |
| 4 | Travel Agent | | |

AIRLINE

If used, name main airline: [Open End/Coded]

Satisfaction Rating: 1-10 Scale (1=Poor, up to 10=Excellent)

Value Rating: 1-10 Scale (1= Poor, up to 10 = Excellent)



RENTAL CAR

If rented a Car/Truck, name the company [Open End/Actual]

Satisfaction Rating: 1-10 Scale (1=Poor, up to 10=Excellent)

Value Rating: 1-10 Scale (1=Poor, up to 10=Excellent)

| | | | | |
|----------------------------|---|------------------|----|---------------------|
| Car Rental Payment Method: | 1 | Cash/Check | 6 | Diners' Club |
| | 2 | American Express | 7 | Other Card |
| | 3 | MasterCard | 8 | Company Direct Bill |
| | 4 | Visa | 9 | Points/ Miles |
| | 5 | Discover | 10 | Other/ Free |

5d. EXPENDITURES BY CATEGORY ("0" if none for You Only)

Trip Package \$ (Fly/Hotel, Cruise, Group Tour, etc.) [Open End/Actual]

NOT IN PACKAGE

| | |
|--|-------------------------------|
| Main Transportation \$ | [Open End/Actual] Added 07/96 |
| Rental Car \$ | [Open End/Actual] Added 07/96 |
| Food/Drink \$ | [Open End/Actual] |
| Entertainment/Recreation \$ | [Open End/Actual] |
| All Shopping \$ | [Open End/Actual] |
| All other <u>except</u> Accommodations | [Open End/Actual] |



6. For all day and overnight trip(s) in the past 3 months, list each city visited.

6a. **WHERE and WHEN**

City (e.g. Miami): (If out of U.S., write city and country)
State (e.g. FL):

[Open End/Coded]
[Open End/Coded]

CITY RATINGS

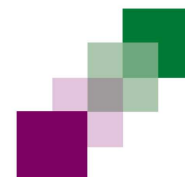
Overall Destination Rating: 1-10 Scale
Destination Value Rating: 1-10 Scale
Number of visits in the last 3 years:

(1=Poor, up to 10=Excellent)
(1=Poor, up to 10=Excellent)
[Open End/Actual] *Added 05/96*
Changed 03/01

TRIP TIMING

Trip Start: Month and Day
Trip Length: Number of Nights

[Open End/Actual]
[Open End/Actual] (*"0" if day trip*)



6b. PURPOSE OF STAY

Company Business

Leisure/Personal

“Group Meeting”

- 1 Convention
- 2 Training/ Seminar
- 3 Other Group Meeting
- 4 Client Service, Consulting
- 5 Inspection, Audit
- 6 Construction, Repair
- 7 Sales, Purchasing
- 8 Government/ Military
- 9 Other Company Business

- 10 Getaway Weekend
- 11 General Vacation
- 12 Visit Friend/ Relatives
- 13 Special Event
- 14 Other Personal

“Leisure Vacation”
“Leisure Non-Vacation”

“Transient Business”
Changed 03/01

Both Leisure and Business? [Y/N] *Added 03/01*

ACTIVITIES

List primary activities for each visit (list up to 4) and circle activity if it was main reason for the trip:

- | | |
|---|---|
| 1 Eco-Travel <i>Added 03/01</i> | 11 Hunt, Fish, etc. |
| 2 Parks: National, State, etc. | 12 Snow Ski, Snow Board |
| 3 Visit Historic Sites | 13 Other Adventure Sports |
| 4 Museum, Art Exhibit, etc. <i>Added 03/01</i> | 14 Play Golf |
| 5 Concert, Play, Dance, etc. <i>Added 03/01</i> | 15 Beach/ Waterfront |
| 6 Festival, Craft Fair, etc. | 16 Boat/ Sail |
| 7 Night Life | 17 Show: Boat, Car, Home, etc. |
| 8 Gamble | 18 Theme/ Amusement Park |
| 9 Watch Sports Event | 19 Touring/ Sightseeing |
| 10 Hike, Bike, etc. | 20 Look at Real Estate <i>Added 06/03</i> |



6c. OVERNIGHT ACCOMMODATION

ACCOMMODATION STAYED

Name of Hotel/ Motel, Shipline, etc. (use chain/ hotel, and extension names, e.g. Seasons Inn Express).
[Open End/Coded] *If friend/ relatives' home, use "Friend"*

ACCOMMODATION RATINGS

Overall Satisfaction: 1-10 Scale (1=Poor, up to 10=Excellent)

Value Rating: 1-10 Scale (1=Poor, up to 10=Excellent)

Service Rating: 1-10 Scale (1=Poor, up to 10=Excellent)

How many stayed in your room:
Suite Room? [Open End/Actual]
[Y/N]

| | | |
|----------------------------|------------|-------------------|
| Location of Accommodation: | 1 Airport | 5 Small Town |
| | 2 Downtown | 6 Government Park |
| | 3 Suburban | 7 Ship |
| | 4 Highway | 8 Other |

| | | |
|------------------------|---------------------|---|
| Type of Accommodation: | 1 "All Suite" Hotel | 7 Ship/ Cruise |
| | 2 Resort Hotel | 8 My 2nd home/ apt/ condo |
| | 3 Hotel/ Motel | 9 Home/ apt/ condo (not mine) |
| | 4 Timeshare | 10 Corporate Apartment <i>Added 07/04</i> |
| | 5 Bed & Breakfast | 11 Other |
| | 6 Camping/ RV | |



- Reservations for Accommodations:
- | | | | |
|---|--------------------|---|--|
| 1 | No Reservation | 5 | Travel Agent |
| 2 | Chain 800 phone # | 6 | Hotel Chain Website <i>Added 11/02</i> |
| 3 | Direct to location | 7 | Other Website <i>Added 11/02</i> |
| 4 | Corp. Travel Dept. | 8 | Other |
- How Paid for Accommodations:
- | | | | |
|---|----------------------|---|----------|
| 1 | Self/Friend/Relative | 4 | Per Diem |
| 2 | Expense Account | 5 | Free |
| 3 | Company Direct Bill | | |
- Payment for Accommodations:
- | | | | |
|---|------------------|----|---------------------|
| 1 | Cash/ Check | 6 | Diner's Club |
| 2 | American Express | 7 | Other Card |
| 3 | MasterCard | 8 | Company Direct Bill |
| 4 | Visa | 9 | Points/ Miles |
| 5 | Discover | 10 | Other/ Free |

ACCOMMODATION EXPENDITURE

- | | |
|-----------------------------------|--------------------------|
| Dollars Per Night (Room Only) | [Open End/Actual] |
| Total Hotel/ Lodging Bill | [Open End/Actual] |
| Special Deal? | [Y/N] |
| If in area again, will stay here? | [Y/N] <i>Added 11/03</i> |



DEMOGRAPHICS

Number of Persons in Household:[Actual]

| | | | | |
|--------------------------|----|-------------------|----|---------------------|
| Annual Household Income: | 1 | Less than \$5,000 | 15 | \$40,000-\$44,499 |
| | 2 | \$5,000-\$7,500 | 16 | \$45,000-\$49,999 |
| | 3 | \$7,500-\$9,999 | 17 | \$50,000-\$59,999 |
| | 4 | \$10,000-\$12,499 | 18 | \$60,000-\$74,999 |
| | 5 | \$12,500-\$14,999 | 19 | \$75,000-\$84,999 |
| | 6 | \$15,000-\$17,499 | 20 | \$85,000-\$99,999 |
| | 7 | \$17,500-\$19,999 | 21 | \$100,000-\$124,999 |
| | 8 | \$20,000-\$22,499 | 22 | \$125,000-\$149,999 |
| | 9 | \$22,500-\$24,999 | 23 | \$150,000-\$174,999 |
| | 10 | \$25,000-\$27,499 | 24 | \$175,000-\$199,999 |
| | 11 | \$27,500-\$29,999 | 25 | \$200,000-\$249,999 |
| | 12 | \$30,000-\$32,499 | 26 | \$250,000-\$299,999 |
| | 13 | \$32,500-\$34,999 | 27 | \$300,000 |
| | 14 | \$35,000-\$39,999 | | |

Occupation of Adult Heads of Household:

| | | | |
|---|----------------------------------|---|-------------------|
| 1 | Managerial/Professional | 6 | Operator, Laborer |
| 2 | Technical, Sales, Admin. Support | 7 | Student, Other |
| 3 | Service | 8 | Retired |
| 4 | Farming, Forestry, Fishing | 9 | Not Employed |
| 5 | Craftsman, Repairman | | |



Education of Adult Heads of Household: *Changed 10/02*

- | | |
|--------------------------|-------------------------|
| 1 Attended Grade School | 5 Attended College |
| 2 Graduated Grade School | 6 Graduated College |
| 3 Attended High School | 7 College Post Graduate |
| 4 Graduated High School | |

Marital Status of Head of Household:

- | | | |
|-----------|-----------------|--------------------------------|
| 1 Married | 2 Never Married | 3 Divorced/ Widowed/ Separated |
|-----------|-----------------|--------------------------------|

Children in Household (Age and Gender): [Actual]

Location of Household: State, DMA, ZIP Code, MSA, County

PRIZM coded respondents to block level address

All can be linked to Claritas PRIZM/Clusters and other databases

Available to clients as special purchase.